



ANNUAL REPORT 2023



МОНГОЛЫН ХӨРӨНГИЙН БИРЖ

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Greetings from the Chief Executive officer

Greetings to investors and alike who are reading the report of the "Mongolian stock exchange" JSC, whose missions is to contribute to the country's economic development by creating a securities market by mediating capital accumulation in the financial market at a low cost.

For the past 32 years since its inception in 1991, the Mongolian Stock Exchange has been steadily expanding its operations. This period coincided with the establishment of favorable historical conditions for the development of the stock market in Mongolia. In tandem with the evolution of financial market laws, advancements in technology, developments in foreign relations and cooperation, and the emergence of new opportunities, the Exchange has remained proactive in advancing its development.

In 2020-2023, post-pandemic business and economic recovery strengthened, and the activity of stakeholders in the capital market increased. For example, as of the 4th quarter of 2023, the total market of 173 stock companies registered in the 1st, 2nd, and 3rd categories with 51 securities member companies of the "Mongolian Stock Exchange" JSC, 2.5 million citizens with securities account, and with more than 3000 active investors the loan value has reached 11.6 trillion MNT.

This period was the year of great turnover when the Mongolian stock market value increased threefold. For instance, in September 2022, the British FTSE Russell Group, one of the leading global providers of benchmarking, analytics, and data solutions, agreed to include Mongolia's stock market in the "Frontier Market" classification starting from September 2023.

Furthermore, According to Resolution No. 16 of the State Great Khural, "Main stream for the public trading of shares of state-owned legal entities in 2022-2023 through the exchange" and Resolution No. 244 of Government "Mainstream of Open public trading of State-Owned Legal Entities on the Stock Exchange in 2022-2023", State Bank and 26 named companies has offered up to 34 of their company and converted into a public company, improving financial discipline and governance, ensuring stability and transparency of operations, and in December 23, 2022 "Mongolian Stock Exchange" offered its additional shares to the public and as of now a public company.

As part of the amendments to the Law on Banking, systematically important 5 banks, which consists of Khan Bank, Trade and Development Bank, Khas Bank, State Bank, and Golomt Bank, fulfilled their obligation to become public companies before June 30, 2023, and offered their shares to the public with a combined amount of proceeds totaling MNT 446.79 billion.

In addition, the Mongolian Stock Exchange registered and offered products such as shares of national enterprises, asset-backed securities, and debt instruments to the public, and successfully organized primary market trading worth more than MNT 184.22 billion.

Currently, the Mongolian Stock Exchange has improved its trading system and expanded into a mining products exchange.

Moving forward, our focus lies on broadening foreign cooperation, enhancing opportunities for international investors to actively engage in Mongolia's financial market, refining the regulation of securities and capital markets, streamlining the coordination among participating organizations, and fortifying the legal framework.

We look forward to collaborating with professional organizations of the capital market, issuers, and all individuals. Your participation will greatly enrich our endeavors in this field.

I am confident that our collaboration in fostering the development of the capital market will increasingly yield tangible results, driving significant economic progress in our country and serving as a trailblazer for development initiatives.

May the development of the capital market pave the way for increased yields and expand development opportunities for all stakeholders involved!



Chief Executive Officer
Kh. Altai

About us

Mongolia's historical period of transition from a centrally planned economy to a market economy began with the founding of the Mongolian Stock Exchange and the initiation of state-owned privatization in order to develop the securities market by Resolution No. 22 of the Government of Mongolia dated January 18, 1991.

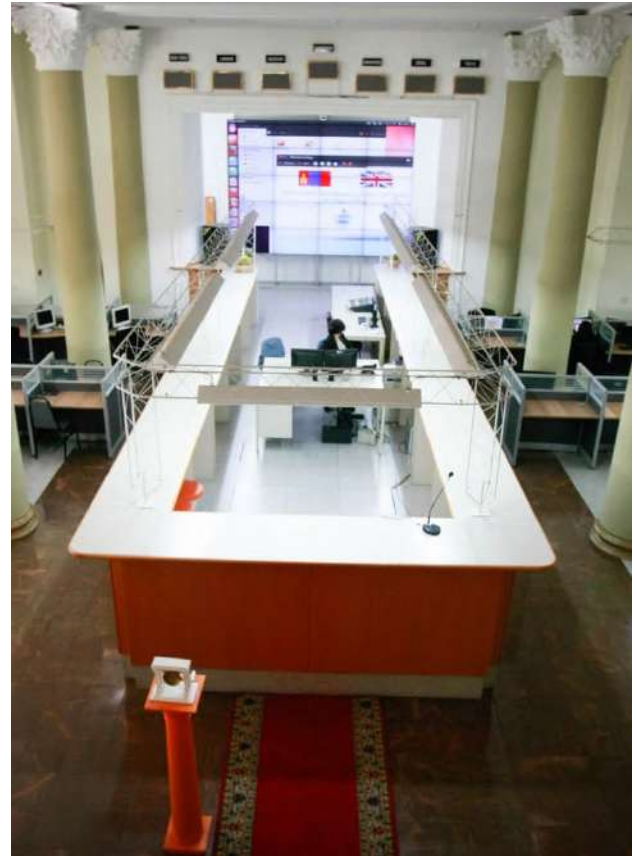
Subsequently, in 1992, as part of the government's privatization policy, a total of 475 state-owned factories were converted into joint-stock companies, and 96.1 million shares with an investment of 8.2 billion MNT were sold to citizens through the Mongolian Stock Exchange.

As a result, about 52 percent of the total population of Mongolia, or 1.2 million people became shareholders. This process changed the economic structure of Mongolia, created basic conditions for improving efficiency, creating market competition, supporting the development of the private sector in the economy, and organizing privatization on a large scale.

In addition, according to the decision of the Government of Mongolia, the Mongolian Stock Exchange cooperates with the internationally renowned "London Stock Exchange" group at a strategic level and has reached a new level of development in terms of capital market regulation, technology, and infrastructure.

Not only that, as a result of the revision of the Securities Market Law in 2013, the legal environment has also developed to international standards.

With the creation of a favorable legal environment, companies listed on foreign stock exchanges and operating in Mongolia have the opportunity to dual-list their securities on the domestic stock exchange, and, in 2018, the Mongolian Stock Exchange made their first dual listing.



Also, products and services such as depository receipts, nominal and beneficial ownership of securities, and custodians have been newly introduced to the stock market.

In 2020, a new regulation was established for the trading of investment fund units and asset-backed securities on the Exchange, and the T+2 for payment after settlement was successfully introduced to improve the implementation of the obligations of joint-stock companies.

The Mongolian Stock Exchange has organized securities trading with a total value of MNT 4.75 trillion by the end of 2021, since the beginning of trading in the secondary market of securities on August 28, 1995 and celebrated its 30th anniversary with historical records and exceptional growth.

In addition, at the beginning of 2021, the Banking Law was revised, and the systemically important banks were transformed into public companies, MSE initiated cooperation with the Shanghai Stock Exchange, one of the world's best stock exchanges, with the purpose of increasing foreign investment and introduce international standards to the market.

In 2022, several significant events unfolded, with great importance to not only the Mongolian Stock Exchange but also to the Mongolian stock market landscape. Notably, on September 29, 2022, the FTSE Russell Group, a renowned global provider of benchmarking, analytics, and data solutions, officially classified Mongolia's stock market as a Frontier Market. This classification was granted following the fulfillment of all requisite criteria, allowing Mongolia's inclusion in this prestigious classification starting from September 2023.

In addition, within the framework of the "New Recovery Policy", the Government of Mongolia made a decision to make the Mongolian Stock Exchange a public company, offering 34 percent of its shares to the public, making it the first among state-owned companies to become a public company in order to improve governance. As a result, the shareholder structure of the Mongolian Stock Exchange was renewed, public supervision, profitability, corporate governance, and transparency were improved, and a NEW HISTORY OF DEVELOPMENT was launched to attract the interest of foreign professional investors to the domestic market.

At the same time, the value of the domestic capital market has reached 11.6 trillion MNT, which is 16.87 percent of the gross domestic product.

As part of the amendments to the Banking Law, 5 banks of the system - Khan Bank, Trade Development Bank, Khas Bank, State Bank, and Golomt Bank - fulfilled their obligations to become public companies before June 30, 2023, and offered their shares to the public for a total of 446.79 billion MNT.

In addition, products such as shares of national enterprises, asset-backed securities, and debt instruments were registered and offered to the public, and the initial market trading of 184.22 billion MNT was successfully organized.

The State Great Khural approved the "Law on Mining Products Exchange", and on June 30, 2023, the Financial Regulatory Commission granted a license to the "Mongolian Stock Exchange" JSC to operate as a mining products exchange, becoming the first mining products exchange in Mongolia, marking a historical moment.

In connection with this process, the MSE has updated its trading system and expanded its operations. Also, "Mining royalty" is calculated using the commercial price data of mining products traded by MSE. The name and variety of mining products to be exported through the MSE have increased with the inclusion of iron concentrates. Looking ahead, the MSE is working towards facilitating the trading of copper and various other product categories in 2024.

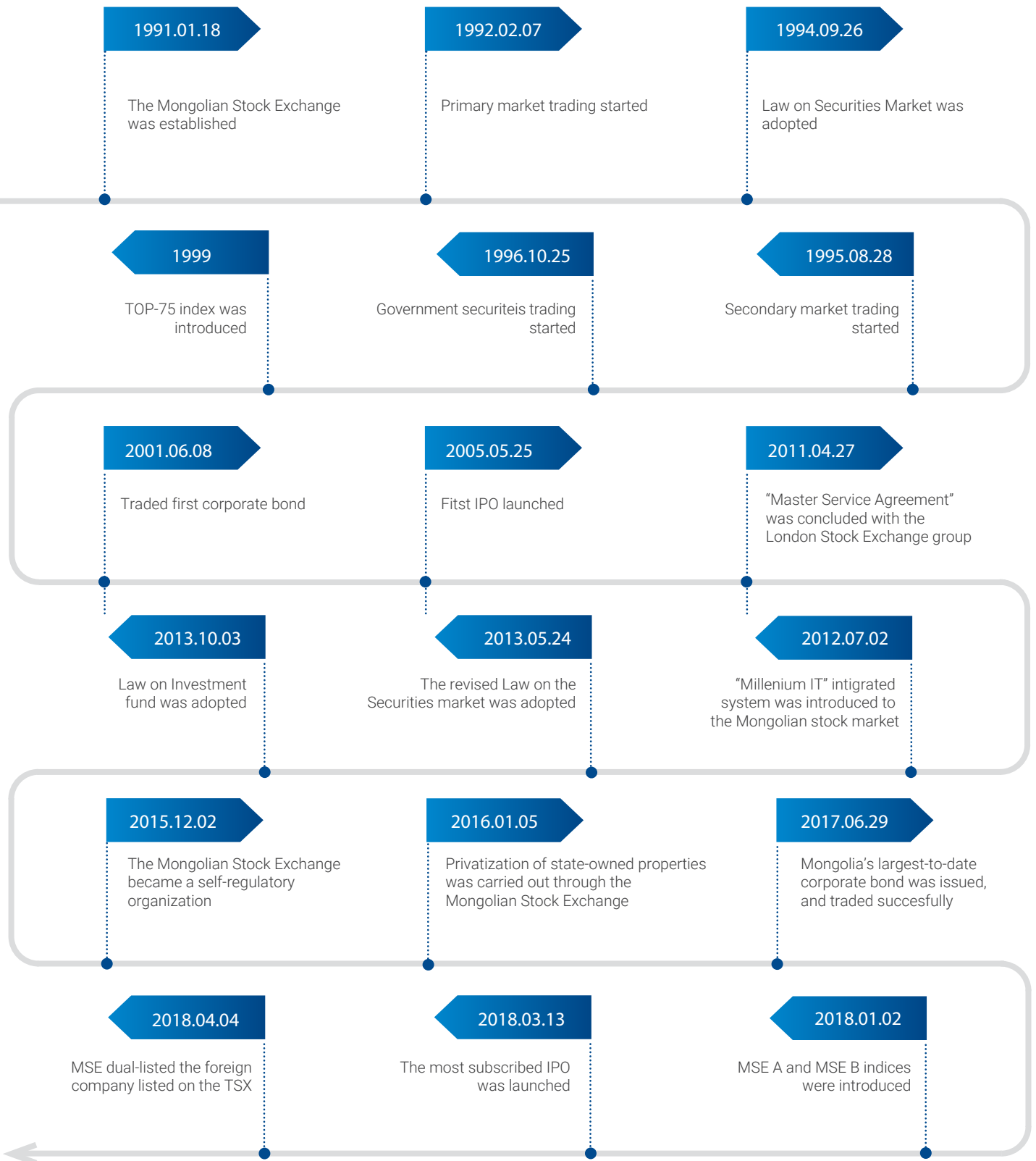
In 2023, events were held in the Republic of Korea, Hong Kong, and China in order to promote the Mongolian stock market in foreign countries and expand cooperation, and signed a memorandum of cooperation with the Budapest stock exchange and the Shanghai stock exchange.

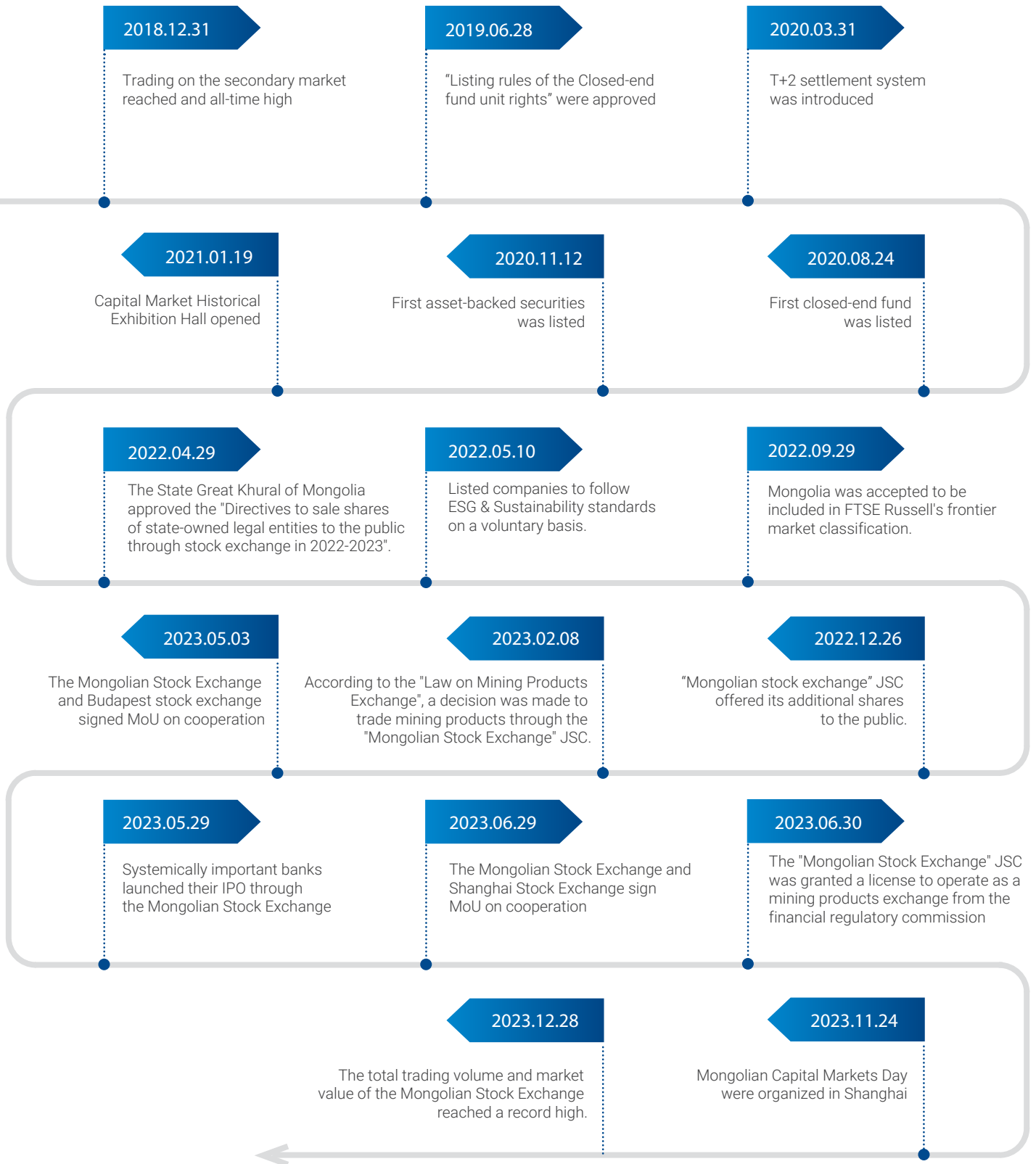
We organized "Securities Market Basic Knowledge and Training" on a monthly basis, and organized Securities Market Open Days in cooperation with other market participants to provide citizens with information.

As it approaches its 33rd year, the "Mongolian Stock Exchange" stands as a testament to remarkable success. Notably, it has been honored with the Outstanding IPO nomination at the "Grand Bull Awards-2023," an esteemed accolade that recognizes excellence within Mongolia's stock market industry, highlighting the Exchange's exceptional achievements in the past year.

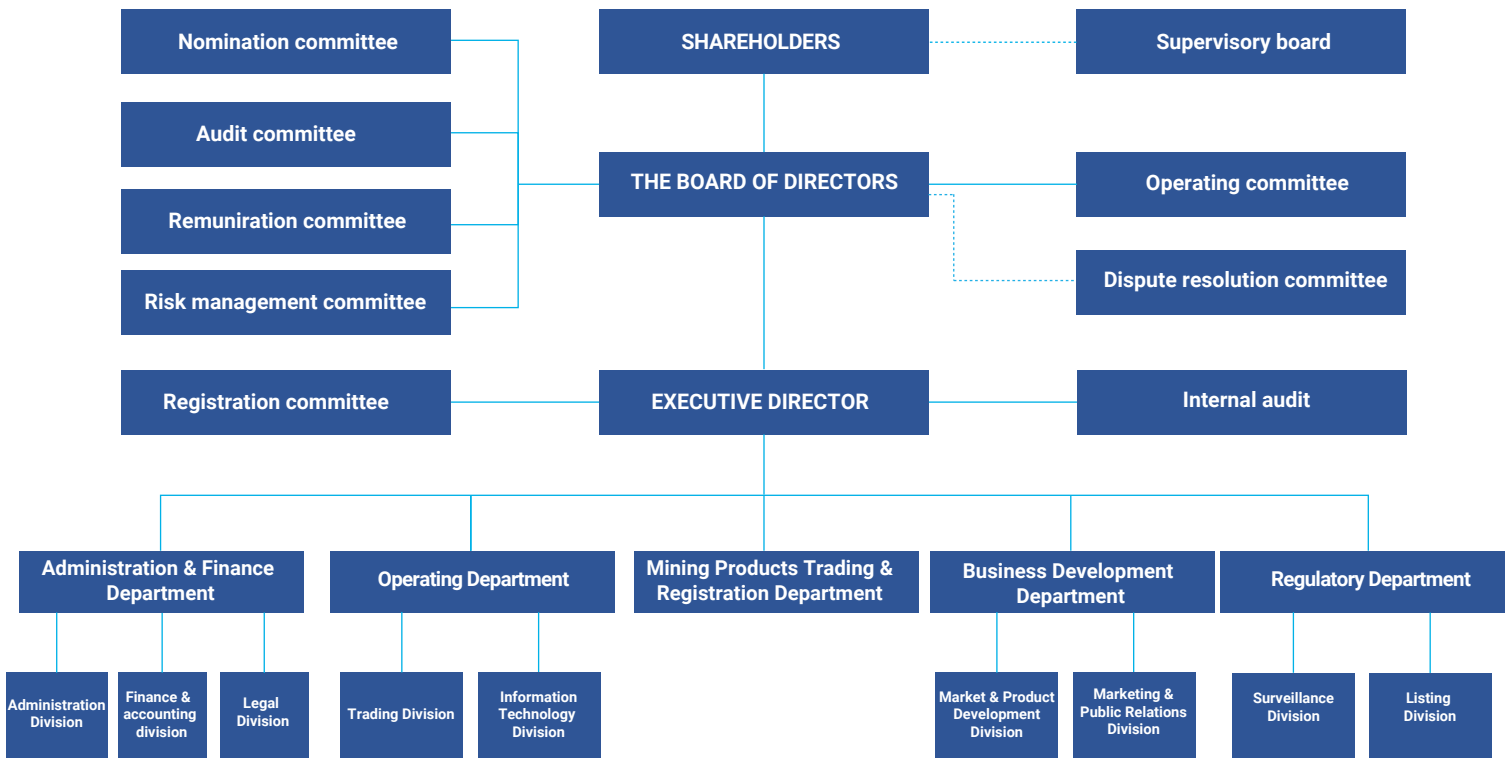
	2022	2023
Market Capitalization	MNT 6.89 Trillion	MNT 11.6 Trillion
TOP-20 INDEX	37,565.55 unit	41,437.42 unit
Listed companies	183	173
Daily average trade	MNT 2.4 Billion	MNT 33.3 Billion

History of the Mongolian stock exchange





Organizational structure



ROLE OF THE DEPARTMENTS

The Administration and Finance Department is responsible for the entire internal operations, organization, and financial operations of the company, and it is broken down into the Administrative Division, the Financial Division, and the Legal Division.

The Operating Department consists of a Trading Division and an Information Technology Division with the main functions of organizing daily trading activities, ensuring business continuity, ensuring the reliable and continuous operation of the stock exchange's IT infrastructure, and supporting the development of the securities market.

The Regulatory Department consists of the Surveillance Division and the Listing Division, with the functions of conducting securities issuing organizations, member securities companies, trading control, and stock market risk assessment related to the listing.

The Business Development Department is structured into two main divisions: the Marketing & Public Relations Division and the Market Development Division. This department is responsible for developing and implementing exchange strategies, business plans, projects, and programs aligned with industry conditions and international trends. It also introduces new products and services to the market. Furthermore, the department disseminates current news and information about daily stock market operations, market activation, and promotional activities. It organizes training programs to enhance public knowledge about the stock market and serves as a reliable source of market news.

The Mining Products Trading and Registration Department registers and trades mining products, registers and accredits market participants, recruits persons with a special license of commercial intermediaries as trading members of mining products, supervises their activities, and ensures the implementation of obligations assumed by regulations and contracts.

MANAGEMENT TEAM



Kh. Altai

Chief of Executive Officer

- Chief Executive Officer of the "Mongolian Stock Exchange" since 2016

Education:

- 2018-2020 Master of Business Administration, University of Finance and Economy, Mongolia
- 1999-2004 Bachelor of Law, School of Law of National University of Mongolia, Mongolia

Experience:

- 2015-2016 Representative of "BB Energy" LLC in Mongolia
- 2010-2012 Special Advisor to the Prime Minister, Government of Mongolia
- 2011-2014 Executive Director of the "Mongolian Stock Exchange"
- 2010-2011 Deputy Director of the "Mongolian Stock Exchange"
- 2004-2007 Government Relations Division of "Boroo Gold" LLC
- 2003-2007 Personal Aide to the Prime Minister, Government of Mongolia



T. Khash-Erdene

Chief Business Development Officer

- Chief Business Development Officer of the "Mongolian Stock Exchange" JSC

Education:

- 2001-2005 Bachelor of International Economic Relations, PFUR, Russia
- 2019-2023 Bachelor of Law, School of Law of the National University of Mongolia, Mongolia

Experience:

- 2021-2022 Deputy Director of the "Mongolian Stock Exchange"
- 2021 Economic Policy Advisor to the Prime Minister, Cabinet Secretariat of the Government of Mongolia
- 2018-2021 Director of the Office of the Economic Policy Council under the Prime Minister, Cabinet Secretariat of the Government of Mongolia
- 2017-2018 Advisor to the Public Relations Policy of the Prime Minister, Cabinet Secretariat of the Government of Mongolia
- 2012-2017 Head of Department, "Mongol Media Corporation" LLC



A. Munkhbayasgalan

Chief Regulatory Officer

- Director of Regulatory Department of the "Mongolian Stock Exchange" since 2017

Education:

- 1994-1999 Bachelor of Business Administration, Paris Dauphine University, France
- 1999-2000 Master of Public Administration, Paris Dauphine University, France

Experience:

- 2015-2017 Head of department, the Ministry of Finance
- 2006-2015 Head of Department, Trade Development Bank
- 2005-2006 Officer, the Ministry of Industry and Trade
- 2004-2005 Lecturer in Business Administration, Business Management Department, UFE



Kh. Erdeneburen

Chief Administration and Finance Officer

- Director of Administration and Finance Department of the "Mongolian Stock Exchange" since July 2023

Education:

- 2014-2016 Master of Business Administration, The National University of Economics, Mongolia
- 1993-1997 Bachelor of Economy, National University of Mongolia, Mongolia

Experience:

- 2020-2023 Senior officer, Financial Department of the "Mongolian Stock Exchange"
- 2015-2017 Head of the Financial Department of the "Mongolian Stock Exchange"
- 2005-2015 Executive Director of "Ungu Inguumel" NBF
- 1999-2005 Branch Director of Transport Development Bank
- 1998-1999 Accountant at Ulaanbaatar City Bank



I. Javkhlan

Chief Operating Officer

- Director of the Operating department of the "Mongolian Stock Exchange" JSC since 2020

Education:

- 2016 Master of Financial Management, University of Melbourne, Australia
- 2005-2009 Bachelor of International Economic Relations, National University of Mongolia, Mongolia

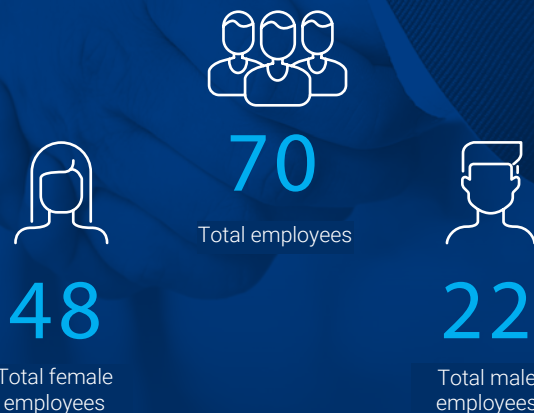
Experience:

- 2017-2020 Senior officer, Market & product Department of the "Mongolian Stock Exchange"
- 2011-2015 Senior officer, Listing Divisions of the "Mongolian Stock Exchange"

HUMAN RESOURCES

The "Human Resources Policy" of the "Mongolian Stock Exchange" JSC has been revised and implemented in line with modern human resource management trends. As a responsibility of our organization, we regularly conduct training sessions to improve employees' skills and expertise.

By the end of 2023, we are operating with a total of 70 employees due to the successful implementation of the movement and distribution of human resources.



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Core employees



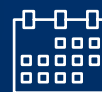
32

Supporting operations employees



36

Average age



6 years

Average length of service



16

Training sessions



67

Higher education

19 Master's

2 Middle-school

48 Bachelor's

1 Highschool

3
Certified public accountant

2
Chartered Financial Analyst candidate

GENERAL INFORMATION

Name:

"Mongolian stock ex

Type:

Public joint-stock company

Register:

2071096

Listed company:

The Mongolian stock exchange

Classification:

I

Symbol:

MSE

Total shares issued:

350,463,539

ISIN number:

MN00MSE05100

Operations:

- 66110 - Self-regulatory organization and securities trading
- 66110 - Mining products exchange

TOTAL NUMBER OF SHAREHOLDERS

SHAREHOLDER'S STRUCTURE



САНГИЙН ЯАМ

PUBLIC

66%

34%

231,305,936

Number of shares

119,157,603

Number of shares

Corporate governance

SHAREHOLDERS MEETING

The ruling body of the "Mongolian Stock Exchange" JSC shall be the shareholders.

The general meeting of the company's shareholders was held on April 28, 2023, in the Soyombo hall of the Best Western Premier Tuushin Hotel, located at Ulaanbaatar City, Sukhbaatar District, No. 8, Prime Minister A. Amar St, 15, with 72.81% attendance, and the following decisions were made:

The opinion of the Board of Directors regarding the company's 2022 operational and audited financial statements was discussed and approved.

- Approved the distribution of dividends on the basis of the Board of Directors.
 - Approved the company's 2023 basic economic indicators and target level.
 - Share capital of the "Mongolian Stock Exchange" JSC was determined.
 - Approved the revision of the charter of the "Mongolian Stock Exchange" JSC.
 - The "Mongolian Stock Exchange" JSC approved the working procedure of the supervisory board.
 - At the meeting, due to two members resigning, the Board of Directors was tasked with appointing two members from small shareholders in place of those members.
- An extraordinary meeting of the company's shareholders was held online on June 30, 2023, and the following decisions were made:
- The "Mongolian Stock Exchange" JSC approved amendments to the Charter.
 - The "Mongolian Stock Exchange" JSC approved the working procedure of the supervisory board.

- The "Mongolian Stock Exchange" JSC B. Batbayar, B. Tuyarah, Ts. Monkzua as a supervisory board member, S. Bayantsogt, D. Togtohbayar, J. Tsogtbayar, J. Byambasuren, T. Ganbaatar as a regular members, R. Monkhtor, N. Otgonchimeg, M. Banzragch, and N. Ulaankhu were elected as independent member for a period of 3 years.

STOCK INFORMATION

During the reporting period, 51.4 million securities of "Mongolian Stock Exchange" JSC were traded for a total of 7.6 billion MNT. The company's market value reached 40 billion 993 million MNT by the end of 2023, and it was ranked 27th by market value.

Stock price:

- Closing MNT 116.97
- Average MNT 135.4
- Highest MNT 201.12 (on January 13, 2023)
- Lowest MNT 104 (On September 11, 2023)



CORPORATE GOVERNANCE

Duties of the Board

The Board is accountable to the shareholders for the performance of the "Mongolian Stock Exchange" JSC. The board is responsible for appointing, evaluating, and reviewing the performance of the executive management as well as overseeing systems in place for internal control, risk management, and compliance. The board reviewed the implementation of the company's 2023-2027 medium-term planning strategy and provided guidelines and recommendations. During the reporting period, the executive management team of the MSE held regular meetings to monitor the implementation of operational strategies, goals, and objectives. The responsibilities of the Board are detailed in the "Charter of the Mongolian Stock Exchange" and "Rules of Procedure of the Board of Directors".

Board committee

The Board has established four standing committees to assist in discharging its responsibilities and support decision-making processes. The activities of the committees are regulated by the "Rules of Procedure of the Board of Directors".

The Board has the following committees:

- Risk management committee;
- Nomination Committee;
- Audit Committee;
- Remuneration Committee

A board member may serve on more than one committee. The Law on Company stipulates that an independent member of the Board shall serve on the audit committee.

Audit Committee

Ulaankhuu.N	Chairman of the Committee
Munkhtur.R	Member
Tsogtbayar.J	Member

Remuneration Committee

Munkhtur.R	Chairman of the Committee
Ulaankhuu.N	Member
Bayantsogt.S	Member

Nomination Committee

Otgonchimer.N	Chairman of the Committee
Banzragch.M	Member
Ganbaatar.T	Member

Risk management Committee

Banzragch.M	Chairman of the Committee
Otgonchimer.N	Member
Byambasuren.J	Member

Nomination, appointment, and renewal of the Board members

A nomination committee is established for the purpose of making independent judgments needed for decisions regarding the structure and composition of the Board. The Nomination Committee reviews the skills and experience represented by the members of the Board and considers whether the composition, mix of skills and experience remain appropriate for the MSE strategy and monitoring its implementation. Based on this assessment and opinion, a new member is nominated for the board of directors. Prior to appointing members, the committee conducts comprehensive reference checks in accordance with the Company Law and other relevant regulations. The checks include aspects, such as the educational background, skill set, prior employment history, financial liability, and criminal history of the nominated candidates.

Releasing and re-election of the Board members

Under the Law on Mining Products Exchange, board members are elected openly by the decision of the shareholders for a term of 3 years and released on the grounds specified in the Company Law. The Board is authorized to make temporary appointments for vacancies arising

from a member's request for release, pending the election of a suitable replacement member. In accordance with the implementation of the Law on Mining Products Exchange on June 30, 2023, the shareholders elected the following members through open selection and appointed them for 3 years.

The Board secretary

The Board is responsible for appointing a secretary who is directly responsible to the Board. The roles and responsibilities of a board secretary include ensuring seamless operations and effective coordination among shareholders' meetings, the Board, the executive director, and various stakeholders, and proper functioning of the Board. The board secretary must be certified in the field of corporate governance and is appointed by the Board based on the recommendation of the chairman of the Board. In 2023, there has been no change in the person occupying the position.

STRUCUTER AND COMPOSITION OF THE BOARD

	NAME	POSITION	Appointed date
1	Togtokhbayar.D Chairman	Head of Finance and Investment Department of MSUE	2023 .06 .30
2	Bayantsogt.S Member	Head of the Finance Departmen of "Altai zam" JSC	2023 .06 .30
3	Byambasuren.J Member	Head of the Finance and Economy Department of the Cabinet Secretariat of Government of Mongolia	2023 .06 .30
4	Ganbaatar.T Member	Head of the Legal Department of the Ministry of Mining and Heavy Industry	2023 .06 .30
5	Tsogtbayar.J Member	Head of the Financial Supervision and Risk Management Department of the Ministry of Finance	2023 .06 .30
6	Banzragch.M Independent member	Head of the Education Quality Department of the Advanced Business School of the MUST	2023 .06 .30
7	Munkhtur.R Independent member	Deputy Director of "Ikor Partners" LLC	2023 .06 .30
8	Otgonchimeg.N Independent member	Auditor of "Suld-Audit" LLC	2023 .06 .30
9	Ulaankhuu.N Independent member	Chief Investment and Finance Officer or "Landbridge" LLC	2023 .06 .30

Qualifications and experience of the Board members

The Nomination Committee uses the matrix shown in the table above to identify any gaps in the collective skills of members and to assess individual skills and work experience. Maintaining a balanced gender ratio, sufficient knowledge of the industry, and required professional skills is needed to navigate problems and challenges and to oversee management performance in implementing the strategy.

The Board considers its structure and composition appropriate and has maintained a mix of skills, structure, and composition in accordance with the corporate governance code.

Operational report of the Board

In accordance with Section 75.9 of the "Company Law", the members of the board of directors of MSE are required to attend corporate governance training and receive a certificate, and all newly appointed board members in 2023 have received a certificate of corporate governance training.

The primary form of operation of the Board of directors is the meeting of the board of directors, and the decisions of the meeting are confirmed by a resolution. In 2023, the Board of Directors held a total of 26 meetings. At the meeting of the board of directors, more than 60 issues were discussed, 54 resolutions related to the company's operations and the internal work of the board were issued, and the executive management was given duties and tasks in 9 notes.

20 meetings of the board of directors were held in the conference hall of the MSE in Ulaanbaatar, 3 meetings were by mail and 4 meetings were held electronically. During a fiscal year, the Audit Committee under the Board of Directors discussed 9 issues and issued 9 opinions, the Nomination Committee discussed 5 issues and issued 5 opinions, and the Remuneration Committee discussed 4 issues and issued 4 opinions respectively.

Remuneration

Board members are paid a fixed monthly salary. A civil servant acting as a representative of state property is prohibited from receiving remuneration and incentives other than salary for regular members, the remuneration of regular members consists of only salary.

The compensation of the members of the Board is adjusted in accordance with the "Law on State Property" approved by Resolution No. 80 of 2016 of the Government of Mongolia, and the compensation of the members can not be more than twice the minimum wage.

The remuneration structure of independent members and supervisory board members of the Mongolian Stock Exchange is the same as that of regular members. Board members are not paid any other fees or compensation, such as brokerage fees or consulting fees. The following table shows the remuneration paid to the members of the board of directors and the supervisory board in 2023.

Salary		
Monthly		
1	Chairman of the Board	1,100,000MNT
2	Regular members	1080,000MNT
3	Independent members	1080,000MNT
4	Secretary of the Board	861,307.92 MNT

INFORMATION TRANSPARENCY

Conflict of interest

According to the Law on Companies and the "Securities Listing rules" approved by the Financial Regulatory Commission, members are obliged to disclose information about the securities they own. If a member has a conflict of interest on an issue discussed by the Board of Directors, he/she shall not participate in the discussion or vote on the issue.

In addition, according to the Law on Regulation of Public and Private Interests and Prevention of Conflict of Interest in Public Service, each member shall submit a preliminary declaration of interest to the Anti-Corruption Agency.

Also, if a member of the board of directors has a conflict of interest on an issue being discussed, he/she is obliged to refrain from voting on the issue.

Independence of the members

Having independent members in the Board of directors has a positive effect on the interests of shareholders. According to clause 7.1 of the "Law on Mining Products Exchange", the Board of Directors of MSE has 4 independent members. The nomination committee submits the new member's profile and relevant documents to the Independent Authority Against Corruption of Mongolia to determine the member's independence. The IAAC monitors whether members have any conflicts of interest that may materially affect their work for the interests of shareholders, as well as their independent operation.

Independent audit

An "Audit services agreement" was concluded with "Ikhmongol Kholog Audit" LLC, an independent audit agency recommended by the audit committee of the board of directors of MSE and selected by the shareholders' meeting. The audit organization is responsible for examining the financial reporting activities of MSE and making a conclusion on whether the financial status and financial results are accurately expressed, and whether international accounting standards and company laws have been followed.

The audit team is independent of the MSE in terms of work, personal communications, and audit services.

See page 43 for the independent audit report.

Information transparency

As the "Mongolian Stock Exchange" JSC is a company registered in the 1st category, it is responsible for preparing and presenting annual and semi-annual operational reports to the public in accordance with the "Information Transparency Rules" approved by the Financial Regulatory Commission.

In accordance with the "Company Law", "Law on Mining Products Exchange", and "Law on Securities Market", we provide shareholders, market participants, and citizens with annual and semi-annual operational reports, operation summary presentations, monthly highlights. In addition to operational information such as compilations of major events, daily stock market news through our website in Mongolian and English, information related to mining products exchange operations in Mongolian, English, and Chinese. Internal information that is not available to the public is not disclosed to certain persons.

Supervisory Board

Functions of the Supervisory Board

The "Mongolian Stock Exchange" is responsible for protecting the rights and interests of shareholders in accordance with the law and the work procedures of the supervisory board, as well as receiving complaints from shareholders in connection with the company's operations, and issuing opinions, conclusions, and recommendations in accordance with the rules of the open joint-stock company. This includes:

- Submit proposals to the board of directors to protect the interests of shareholders in accordance with the law,
- Issue conclusions and recommendations in accordance with the complaints from shareholders and submit them to the board of directors,
- Submit recommendations to the CEO of the company in accordance with the duties and clauses given by the chairman of the shareholders' meeting.

Composition and structure of the Supervisory Board

The supervisory board consists of 3 (three) members representing the shareholders, except for the influential shareholders, appointed by the decision of the shareholders' meeting on June 30, 2023.

Remuneration

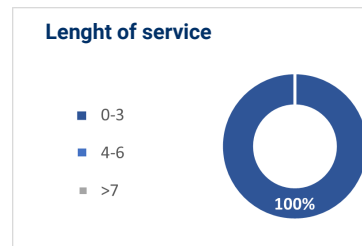
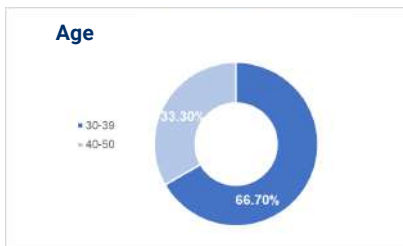
The remuneration of the members of the Supervisory Board consists only of salary. The remuneration of the members of the Supervisory Board is determined by the shareholders' meeting, and the maximum remuneration of the members shall not be more than twice the minimum wage. According to Resolution No. 10 dated June 30, 2023, the salary of the member of the supervisory board was determined to be equal to twice the minimum wage, depending on whether the meeting was held in that month. The remuneration paid to members of the Supervisory Board is shown in the following table.

	Monthly
1. Member of the supervisory board	1,100,000 MNT

Members of the supervisory board

	Name	Position	Date of appointment
1.	Batbayar.D	Chief executive officer of the "DCF securities" LLC	2023.06.30
2.	Tuyarakh.D	World bank consultant	2023.06.30
3.	Munkhzul.Ts	Lawyer, Advocate	2023.06.30

In 2023, 66.6% of the supervisory board were women. The following graph shows the length of service and age structure of the members of the Supervisory Board of the MSE.



Supervisory board meeting

- The Supervisory Board held 11 meetings in 2023.

The decisions of the meeting

- In 2023, 3 shareholders and one independent member of the Board of Directors submitted a request to the Supervisory Board. The Supervisory Board received applications, complaints, and requests from shareholders and submits conclusions, suggestions, and recommendations to the Board of Directors on protecting the rights and interests of shareholders. In addition, in order to ensure and protect the rights and interests of shareholders in accordance with the law, an operational plan was developed, and two meetings were held with the director of the company's Administration and Finance Department to provide explanations and clarifications on the management of collateral funds, proceeds, and other related financial information. After evaluating the financial report for 2022-2023, proposals were submitted to the Board of Directors, for shareholders to benefit from investments, increase profitability, optimally organize cash management, and distribute dividends to shareholders. In addition, the Supervisory Board held 2 meetings with the

representatives of small shareholders, 1 with the representatives of the independent members of the Board of Directors, and 1 with the interim CEO of the company, and exchanged opinions for increasing the transparency and efficiency of the company's governance.

Implementation of recommendations submitted to the Board of Directors:

In accordance with the recommendations submitted by the Supervisory Board to the Board of Directors in 2023, the Board of Directors constituted plan for the funds from the proceeds, approved and implemented cash management procedures to increase profitability, announces an open selection of CEOs and directors, and made the decision to distribute the dividend equal to the 50% of the net profit.



Functions of executive management

The responsibilities of the executive director of the "Mongolian Stock Exchange" JSC are stated in the Company's charter. The Executive Director is responsible for managing the day-to-day operations of the MSE and ensuring the implementation of operational strategies, goals and objectives approved by the Board of Directors. According to the decision of the Board of Directors to extend the "Employment Agreement" signed on October 2, 2017, Altai.Kh worked as the executive director during the reporting period. In 2023, the business plan, structure, and related regulations of the MSE were developed.

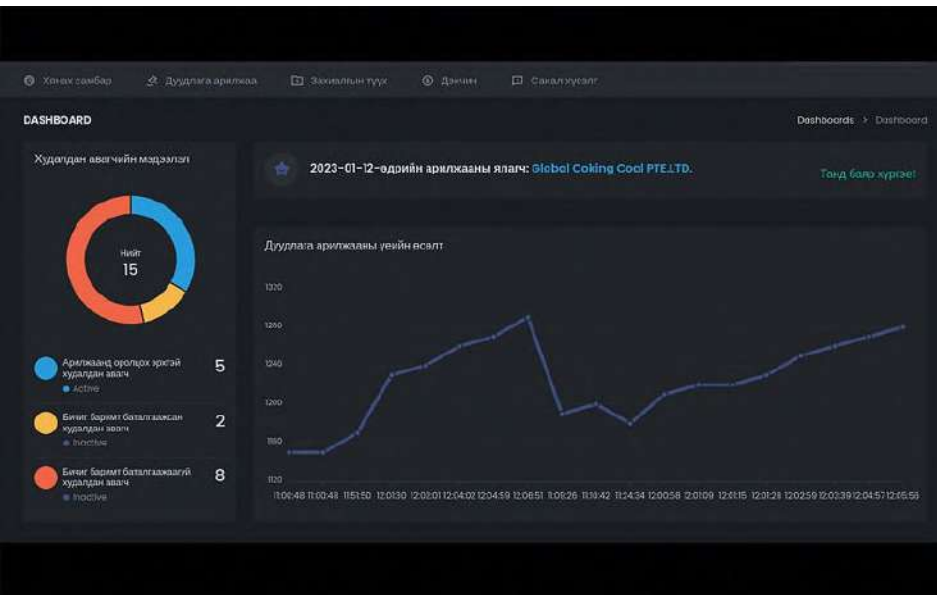
HIGHLIGHTS OF THE YEAR

2023



МОНГОЛЫН
ХӨРӨНГИЙН БИРЖ

A TRIAL E-AUCTION OF COAL EXPORT HAS BEEN ORGANIZED SUCCESSFULLY



The Mongolian Government approved the regulation on "Open Digital Trading for Coal Export" on December 14, 2022, and parties involved in the coal trade, including those interested in selling and buying coal, successfully participated in the trial e-auction of coal export on January 12, 2023. During the trial e-auction, from the seller's side, 2 lots, or a total of 12,800 tons of coal, were offered to sell and 2 lots of coal were traded successfully. The minimum bid price increased by 12.2 percent during the auction.

COMMERCIAL AND ECONOMIC COUNSELLOR OF EMBASSY OF PEOPLE'S REPUBLIC OF CHINA IN MONGOLIA VISITS MSE

Mr. Song Xuejun, Commercial and Economic Counsellor of the Embassy of People's Republic of China, Mr. Chai Fang Ping, Deputy Director of China General Chamber of Commerce in Mongolia and relevant officials of the Embassy of People's Republic of China have visited the Mongolian Stock Exchange and met Mr. Altai Khangai, Chief Executive Officer of the MSE and Ms. Javkhlan Ivanov, Chief Operating Officer of the MSE. During the meeting, Mr. Altai Khangai introduced the Mongolian capital markets update to the visitors and the parties exchanged their views on opportunities for increasing the number Chinese investors in the Mongolian capital markets. Also, the parties discussed about further actions to be taken to introduce opportunities to Chinese companies to participate in the coal e-trades.



EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT REPRESENTATIVES VISITED THE MONGOLIAN STOCK EXCHANGE

Today, the Vice President and Chief Risk Officer of the European Bank for Reconstruction and Development (EBRD), Ms. Annemarie Straathof, the Managing Director of EBRD Central Asia, Ms. Zsuzsanna Hargitai, and the Head of Mongolia at EBRD, Mr. Hannes Takacs, visited the Mongolian Stock Exchange.

During the meeting, the CEO of the Mongolian Stock Exchange, Kh.Altai, presented the recent situation of the stock market, the issue of securities by systematically important banks, the trading of mining products, and the process of privatization of the state-owned enterprise. They also emphasized the importance of the EBRD's participation in intensifying the development of the capital market and ensuring sustainable growth and discussed the activities to be jointly implemented in the future.



EXECUTIVE DIRECTOR OF THE "MONGOLIAN STOCK EXCHANGE" KH.ALTAI MET WITH OFFICIAL REPRESENTATIVES OF POLAND



Altai.Kh, Executive Director of Mongolian Stock Exchange, on April 24, 2023, Bartholomew Lewandowski, Head of the Trade and International Cooperation Department of the Ministry of Economy, Development and Technology of the Republic of Poland, Vice President of the Polish Investment and Trade Agency Zdzislaw Sokal received and met.

During the meeting, they exchanged views on the current situation and future trends of the economy and capital markets of the two countries, including opportunities to improve and expand cooperation between the stock exchanges of the two countries.

The Warsaw Stock Exchange is a public-private group company with more than 700 listed companies and is the highest-rated stock exchange in the Central and Eastern European region.

THE "MONGOLIAN STOCK EXCHANGE" AND THE BUDAPEST STOCK EXCHANGE SIGNED A MEMORANDUM OF UNDERSTANDING

Mongolian Stock Exchange and Budapest Stock Exchange have signed a Memorandum of Understanding (MoU) (2023.05.03).

The virtual signing ceremony was attended by Altai Khangai, the CEO of the Mongolian Stock Exchange (MSE), Khash-Erdene Tamiraa, the Chief Business Development Officer of MSE, Javkhlan Ivanov, the Chief Operating Officer of MSE, RICHÁRD VégH, the CEO of the Budapest Stock Exchange, ISTVÁN Máté-Tóth, the Deputy CEO of BSE, and LUYI Pintér, International Analyst of the Central Bank of Hungary.

The objectives of the Memorandum of Understanding include exchanging market information between the parties, developing equity, debt, and investment fund products, improving corporate governance, organizing joint research projects and seminars, and developing platforms and joint products.



SYSTEM UPDATE OF THE “MONGOLIAN STOCK EXCHANGE” IN 2023



Developed Comex trading system for mining products



Developed the trading platform of Government securities **BOND.MSE.MN**



Improved primary market trading IPO system.



Implemented the infrastructure renewal project

SYSTEMATICALLY IMPORTANT BANKS ISSUED IPO THROUGH THE MONGOLIAN STOCK EXCHANGE



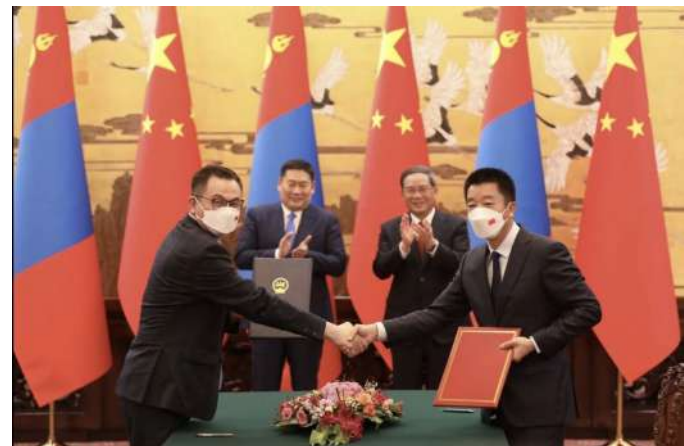
In accordance with the amendments to the banking law approved by the State Great Khural /2021.01.29/, the securities of systemically important banks are publicly offered and to be traded through the Mongolian Stock Exchange.

As part of this decision, State Bank, Golomt Bank, Khan Bank, Trade Development Bank, and Khas Bank issued IPOs through the Mongolian Stock Exchange in 2022 and became public joint-stock companies.

THE “MONGOLIAN STOCK EXCHANGE” AND SHANGHAI STOCK EXCHANGE SIGN MOU ON COOPERATION

On June 25, 2023, within the framework of the official visit of Minister of Mongolia Oyun-Erden to China, the Executive Director of "Mongolian Stock Exchange" JSC Kh. Altai, President of "Shanghai Stock Exchange" CAI Jianchun and other officials had an official meeting and signed a memorandum of cooperation.

Within the framework of this visit, on June 28, 2023, ALTAI Khangai, the Chief Executive Officer of the Mongolian Stock Exchange, and CAI Jianchun, the President of the Shanghai Stock Exchange, signed a memorandum of understanding (MOU) on cooperation.



“LISTING RULES OF THE EXCHANGE-TRADED FUNDS UNIT RIGHTS” WAS APPROVED

The "Mongolian Stock Exchange" JSC developed and approved the new "Listing Rules of the Exchange-traded Funds Unit Rights" by the Board of Directors Resolution No. 48 dated December 7, 2023. The director of the Financial Regulation Committee officially approved the rule by Order No. 04 dated January 5, 2024, of the.



REPRESENTATIVES IF THE “MONGOLIAN ECONOMIC FORUM-2023” VISITED THE “MONGOLIAN STOCK EXCHANGE”

On July 10, 2023, representatives of international investors, foreign investment banks, and funds visited the "Mongolia Economic Forum-2023" organized under the slogan "Welcome to Mongolia" visited the "Mongolian Stock Exchange".

Altai.Kh, Chief Executive Officer of "The Mongolian Stock Exchange" JSC, gave an overview of the Mongolian capital market to the honored guests. The international investors, directors of the Mongolian Stock Exchange, and representatives of broker and dealer companies exchanged experiences through the "Networking Event".

Representatives of more than 40 influential international organizations such as Deutsche Bank, UBS, JPMorgan, Goldman Sachs, Sumitomo Mitsui, Barclays, Bank of China, Morgan Stanley, US EXIM, Citi, BNP Paribas Exane, HSBC Australia Bank, Standard Chartered, ING, Lazard Asset Management, Export Finance Australia, MIGA, Clifford Capital, Bank of America, RBC, Barrenjoey Capital Partners, Natixis HK, GIC, Ubique Asset Management, EBRD, IFC, KFW, and Canadian Imperial Bank of Commerce participated in this event.



“MONGOLIAN STOCK EXCHANGE” JSC WAS GRANTED A LICENSE TO OPERATE AS A MINING PRODUCTS EXCHANGE FROM THE FINANCIAL REGULATORY COMMISSION

The "Mongolian Stock Exchange" JSC was granted a special license to operate as a mining products exchange during the regular meeting of the Financial Regulatory Commission on June 30, 2023.

The Law on Mining Products Exchange was approved by the Parliament of Mongolia and is effective from June 30, 2023, to organize the open, transparent, and fair trading of mining products, to create opportunities for real market prices to be established, and to increase the industry's contribution to the country's economic growth.

"Mongolian Stock Exchange" JSC has developed five regulations for the 11 operations specified in the Law on Mining Products Exchange. At the meeting, permission to implement these regulations was granted, and proposals submitted by the "Mongolian Stock Exchange" JSC for the service fee of the mining products exchange were determined.



LISTED COMPANIES PRESENTS THEIR FINANCIAL AND OPERATIONAL REPORTS FOR THE FIRST HALF OF 2023

"Mongolian Stock Exchange" JSC presents the semi-annual financial and operational reports of the companies listed on the MSE to ensure information transparency, the implementation of duties, and the implementation of the corporate governance code. The presentation was held on August 7-23, 2023 for the 8th year as a tradition. In the event, 20 companies in the classification 1 including the "Mongolian Stock Exchange" JSC, "BDSec" JSC, "Ard Financial Group" JSC, "Ard Credit" JSC, "Gazar Shim" JSC, "Ard Insurance" JSC, "Khaan Bank" JSC, "Invescore" JSC, "Monos Foods" JSC, "Bogd Bank" JSC, "LendMN" JSC, "APU" JSC, "Mandal Daatgal" JSC, "MIK Holding" JSC, "State Bank" JSC, "Suu" JSC, "Talkh Chikher" JSC, "Trade Development Bank" JSC, "Tumen Shuwuut" JSC, "Golomt Bank" JSC, and 1 company in the classification 2 which is "ITools" JSC, for a total of 21 companies participated and presented their operations to the public.



THE FIRST IRON ORE CONCENTRATE TRADING IS HELD



"Mongolian Stock Exchange" JSC is expanding its activities within the framework of the law in accordance with the special license to operate as a Mining Products Exchange, which is issued by the Financial Regulatory Commission.

As a result, by resolution No. 31 dated September 4, 2023, the company's board of directors approved "Procedures for establishing and enforcing standards for commercial contracts for iron ore and concentrates," and "Mongolrosvetmet" and "Darkhan Metallurgical Plant" JSC are registered as sellers and signed a contract. Accordingly, the orders of these companies were accepted, and the first trading of iron ore and concentrate has been organized on September 15, 2023.

THE "MONGOLIAN STOCK EXCHANGE" SUCCESSFULLY UPDATED THE TRADING SYSTEM INFRASTRUCTURE



As part of the Master Service Agreement established between the London Stock Exchange and the Mongolian Stock Exchange, on July 2, 2012, the "Millennium IT" integrated system of trading, clearing settlement, surveillance, and depository was introduced to the Mongolian capital market. With the introduction of the Millennium IT integrated system to the Mongolian capital market, the infrastructure of the domestic stock market has reached international standards, and not only securities

companies but also investors themselves can participate in online trading, which was an important step to ensure the fair and smooth participation of market contributors.

As the Mongolian Stock Exchange is responsible for conducting transparent and error-free securities trading, MSE is working on a plan to upgrade the trading system and infrastructure regularly, and within this framework, the upgrade project of the Millennium trading system was successfully completed.

THE "MONGOLIAN STOCK EXCHANGE" HAS ESTABLISHED A MEMORANDUM OF COOPERATION WITH THE MONGOLIAN BAR ASSOCIATION

On September 28, 2023, the Mongolian Stock Exchange JSC and the Mongolian Bar Association entered into a memorandum of cooperation. The memorandum was signed by Altai.Kh, the Chief Executive Officer of the "Mongolian Stock Exchange" JSC, and Odgerel.P, the President of the Mongolian Bar Association.

Under the provisions of the memorandum, the involved parties will collaborate in international conferences and forums, jointly coordinate advocacy efforts, enhance the capital market, and offer professional support and assistance in the formulation of new legislation, rules, and regulations to enhance the legal framework. Additionally, efforts will be made to improve legal education for citizens, and facilitate the organization of training programs for lawyers and stock exchange participants in the realm of capital market, commodity trading, and associated tax environment. Furthermore, the development of training programs and the provision of accreditation through the Training Committee of the Mongolian Bar Association will be pursued in cooperation.



THE ROYALTIES FOR MINING PRODUCTS SHALL BE BASED ON THE TRADING PRICE OF THE MONGOLIAN STOCK EXCHANGE

In accordance with Resolution No. 345 of the Government of Mongolia, dated September 13, 2023, amendments have been implemented to attachment No. 2 of Government Resolution No. 81, titled "Announcement on the name of sources of exchange and market price," dated February 1, 2016, and the Mongolian Stock Exchange trading price information will serve as a basis for determining the royalty applicable to mining products traded through the Mongolian Stock Exchange, effective from October 1, 2023.

According to clauses 47.3.3 and 47.17 of the Minerals Law of Mongolia, royalties for mining products in Mongolia are calculated in an amount equal to 5–10 percent of the sales value of the mining products, and when calculating the sales value, it was regulated to use the price information published in international sources such as www.sxcoal.com, www.umetal.com, and www.indmin.com regardless of whether the products were traded on the Mongolian Stock Exchange.

Therefore, as a result of this decision, mining product exporting companies have gained the ability to remit royalties for their mining products in accordance with the trading price information of the exchange, such as coal, iron, and fluor spar, which are traded on the Mongolian Stock Exchange. This decision is expected to have a favorable impact on enhancing transparency within the mining industry and fostering an increase in the number of companies engaging in the transparent and public sale of their products through the Exchange.

BASIC KNOWLEDGE TRAINING OF SECURITIES MARKET HAS BEEN ORGANIZED REGULARLY EVERY MONTH

The "Securities Market Basic Knowledge Training" organized by "Mongolian Stock Exchange" JSC was temporarily suspended due to the covid-19 pandemic, but starting from October 2023, it will be held regularly every month in the training hall of the Mongolian Stock Exchange.

Curriculum:

- Origin and development of stock market
- Personal finance
- Difference between stocks and bonds
- Basic operations of brokers and dealers
- Types and purpose of investment
- Fintech and cryptocurrencies
- About the professional participating organizations of the stock market
- Importance of stock market
- Portfolio
- MSE securities trading and the process of participating
- Training in using trading system



THE FIRST GREEN BOND OF MONGOLIA HAS BEEN LISTED



The green bond offered by "KHAN Bank" JSC was issued in the form of both MNT and US dollars, and it became a remarkable new product after the international organization "Sustainable Fitch" made a conclusion about compliance with the principles of green bonds.

By issuing green bonds domestically, KHAN Bank will increase the number of green products and, expand the capital market, therefore creating new investment opportunities for domestic and foreign investors.

MONGOLIAN CAPITAL MARKETS DAY ORGANIZED IN SHANGHAI

On June 28, 2023, the "Mongolian Stock Exchange" JSC entered into a memorandum of cooperation with the Shanghai Stock Exchange of China. The signing of this memorandum took place during the official visit of Mongolian Prime Minister L. Oyun-Erdene to China. The main objective of this memorandum is to enhance the markets of both countries, facilitate the introduction of market-related products, and foster the exchange of experience and information.

The "Mongolian Stock Exchange" JSC (MSE) and Shanghai Stock Exchange (SSE) cooperatively hosted the "Mongolian Capital Markets Day 2023" in the city on November 24, 2023. Attendees of the event included investment funds and market participants who are based in Shanghai.



"MONGOLIA STOCK EXCHANGE" JSC WON IN THE "OUTSTANDING IPO" NOMINATION OF "GRAND BULL AWARDS 2023"



The "Grand Bull Awards 2023" ceremony, which highlights the best performers of the Mongolian stock market, was held on December 1, 2023, and "Mongolian Stock Exchange" JSC won the "Outstanding IPO" nomination.

On December 26, 2022, within the framework of the Government of Mongolia's New Revival Policy, "Mongolian Stock Exchange" has successfully offered 34% of its shares to the public and has been transformed into a joint-stock company.

In addition, banking reform was successfully implemented through the Mongolian Stock Exchange this year, and five banks in the system became joint-stock companies. In addition to securities trading, the exchange has successfully introduced mining raw materials, Mongolia's main export product.

THE "MONGOLIA STOCK EXCHANGE" JSC JOINED AS AN ASSOCIATE MEMBER OF THE MONGOLIAN ASSOCIATION OF SECURITIES DEALERS

On December 21, 2023, the "Mongolian Stock Exchange" JSC became a partner and member organization of the Mongolian Association of Securities Dealers (MASD). Becoming a member was a significant event to support the development of the securities market, improve coordination between market infrastructure organizations, and expand the activities of developing a transparent and open market for all market participants and investors.

THE COMMISSION FOR TRADING UNITS OF SHARES AND INVESTMENT FUNDS ARE REDUCED

At the November 30, 2023 meeting of the Board of Directors of "Mongolian Stock Exchange" JSC, the "Commercial Rules" of the Mongolian Stock Exchange were amended to reduce the commission rate and approved by the Financial Regulation Committee.

As a result, starting from January 1, 2024, a commission of 0.3 percent will be charged regardless of the trading value of shares and investment fund units on the Mongolian Stock Exchange.

This measure, which is adapted to the current market conditions, is important to reduce the cost of investing in the securities market and to support investors.

"SECURITIES MARKET DAY" ORGANIZED

The "Mongolian Stock Exchange" JSC has organized the "Securities Market Day" to boost the publicity of the securities market, improve the coordination of professional participants, prepare investors, provide citizens with stock market news, and provide recommendations to issuers.

At the Securities Market Day, the Financial Regulatory Commission, the "Mongolian Stock Exchange" JSC, "Mongolian Securities Clearing Center" JSC, the "Mongolian Association of Securities Dealers", and 8 securities companies participated and provided training on the securities market and trading practices, as well as answering questions from citizens' regarding securities and providing them with stock market news.



NEW SECURITIES

	Type	The amount offered to the public /Billion/	Order amount	Order percentage	Number of investors
"Gazar Shim" JSC	Stock	MNT10.49	MNT11.47	109%	2,879
"Khaan bank" JSC	Stock	MNT183.38	MNT336.38	183%	29,345
"Trade and Development bank" JSC	Stock	MNT83.49	MNT105.52	126%	2,482
"Khasbank" JSC	Stock	MNT 35.68	MNT 41.82	117%	10,708
"Monlogistic holding" JSC	Stock	MNT 10.99	MNT 1132	103%	1269
"Innovation investment" JSC	Stock	MNT 8.32	MNT 8.35	100%	1,155
"Sendly" JSC	Bond	MNT 8.50	MNT 8.50	100%	207
"Invescore" JSC	Bond /tranche-3/	MNT 10.0	MNT 10.0	100%	81
"Business Invest Development" JSC	Bond	MNT 8.0	MNT 8.0	100%	127
"Invescore" JSC	Bond /tranche-4/	MNT 10.0	MNT 10.0	100%	81
"Simple Assets" LLC	Bond	MNT 20.0	MNT 20.0	100%	64
"Invescore" JSC	Bond /tranche-5/	MNT 10.0	MNT 10.0	100%	75
"LendMN" JSC	Bond	MNT 9.0	MNT 9.0	100%	89
"Simple Assets" JSC	Bond /tranche-2/	MNT 15.0	MNT 15.0	100%	158
"Khaan bank" JSC	Bond /Green bond/	MNT 17.0	MNT 17.0	100%	41
"Bers ABS Plus"	ABS	MNT 9.0	MNT 9.0	100%	58
"Bichil ABS plus"	ABS	MNT 20.0	MNT 20.0	100%	132
"Omni Assets"	ABS	MNT 6.0	MNT 6.0	100%	66



ХААН БАНК



STOCK MARKET KEY INDICATORS

Market capitalization

MNT11.62

Trillion

+168.7%

+4.73

Trillion

ТОП-20 ИНДЕКС

41,437.42

Unit

+10.31%

+3,871.87

Unit

MSE A

17,574.53

Unit

+24.31%

+3,436.59

Unit

MSE B

11,327.14

Unit

-10.58%

-1,340.30

Unit

STOCK MARKET OVERVIEW

SECURITIES LISTING

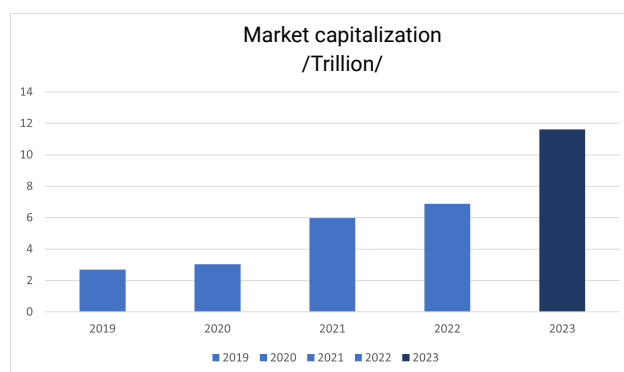
As of December 28, 2023, there are 173 companies listed on the “Mongolian Stock Exchange”, 2.3% or 4 companies are 100% state-owned, 6.4% or 11 companies are partially state-owned, and 91.3% or 158 companies are fully privatized.

Commercial and service industry	27
Geology and mining heavy industry	19
Agriculture and forestry	21
Food and light industry	30
Construction and transportation	35
Finance and real estate industry	35
Technology	5
Public service	1

In terms of listed securities, out of a total of 19.1 billion shares, 7.1% or 1.36 billion shares are owned by the state, and 92.9% or 17.75 billion shares are owned by investors.

MARKET INDICATORS

As of December 31, 2023, the total market value of companies whose shares are traded in the MSE is 11 trillion 620 billion MNT, which is 1.7 times higher than the same period of the previous year which was 4 trillion 731 billion MNT.



During the reporting period, the maximum value of the TOP-20 index was 41,437.42 units, the minimum value was 34,218.33 units, and the average value was 36,777.17 units, which is an increase of 3,871.87 units or 10.31 percent compared to the same period of 2022.



In the reporting period, the MSE-A index reached 17,574.53 points, which is a 3,436.59 increase from the same period of the previous year. With a growth of 24.31 percent, the MSE B index reached 11,327.14 units, which is a decrease of 1,340.30 units or 10.58 percent compared to the same period of the previous year.

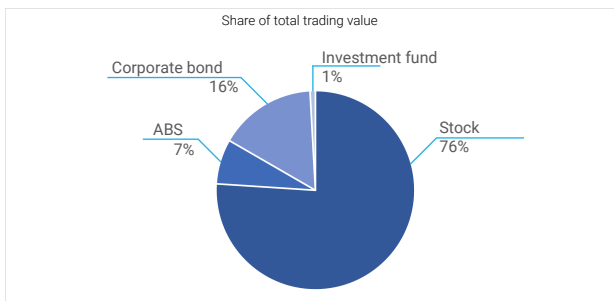
TOP-20 INDEX

In 2023, the following companies made up the basket of the TOP-20 index, which is the main indicator that determines the trend of the securities market, according to the regulations on calculating the stock price index of the Mongolian Stock Exchange.

	SYMBOL	SECURITIES NAME
1	APU	"APU" JSC
2	GLMT	"GOLOMT BANK" JSC
3	AARD	"ARD FINANCIAL GROUP" JSC
4	ERDN	"ERDENE RESOURCE DEVELOPMENT CORPORATION" JSC
5	INV	"INVESCORE" JSC
6	SBM	"STATE BANK" JSC
7	GOV	"GOVI" JSC
8	CUMN	"CENTRAL EXPRESS CVS" JSC
9	UID	"STATE DEPARTMENT STORE" JSC
10	TTL	"TAVAN TOLGOI" JSC
11	TUM	"TUMEN SHUWUUT" JSC
12	MFC	"MONOS KHUNS" JSC
13	SUU	"SUU" JSC
14	MNDL	"MANDAL INSURANCE" JSC
15	BOGD	"BOGD BANK" JSC
16	ADB	"ARD CREDIT" JSC
17	AIC	"ARD INSURANCE" JSC
18	MNP	"MONGOL POST" JSC
19	SEND	"SENDLY" JSC
20	BODI	"BODI INSURANCE" JSC

SECURITIES TRADING

In 2023, a total of 248 securities trading sessions were held, and 1 billion 136 million shares of 172 joint-stock companies were sold in the primary and secondary market trading for 518.4 billion MNT, and 747,000 asset-backed securities were sold in the primary and secondary market trading for 63.5 billion MNT, 10 million units were traded in the secondary market of investment fund units for 6 billion MNT, 1.4 million units of bonds were traded for 138.1 billion MNT in the primary and secondary markets, for a trade total of 726 billion MNT.



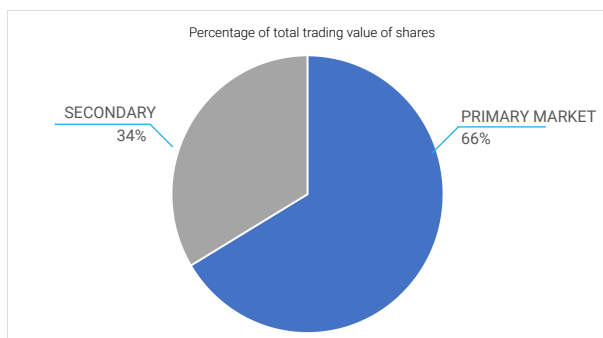
71.41 percent or 518.35 billion MNT of the total trading value was traded in shares, 8.75 percent or 63.49 billion MNT in Asset-backed securities, 0.82 percent or 5.91 billion MNT in investment fund units, and 19.02 percent or 138.08 billion MNT in corporate debt instruments.

During the reporting period, an average of 4.6 million securities were traded for 3 billion MNT per day, which is an increase of 145 billion MNT or 25 percent compared to the same period of the previous year.

SECURITIES MARKET TRADING

During the reporting period, 1 billion 136 million shares of 172 joint stock companies were traded in 518.36 billion MNT in 248 trades, and 66.42 percent or 344.27 billion MNT were traded in the primary market.

33.58 percent or 174.08 billion MNT transactions are accounted for by secondary market trading.



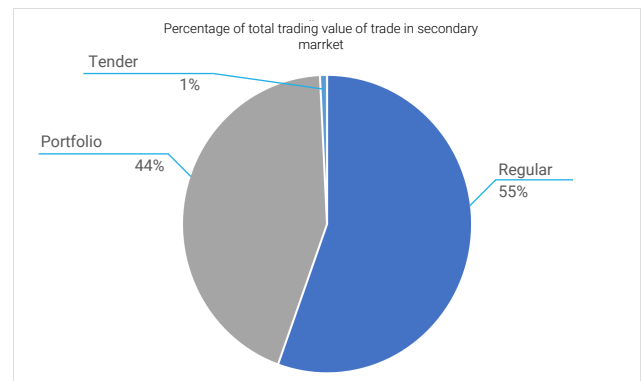
PRIMARY MARKET TRADING OF THE SHARES

During the reporting period, on the primary market, 660 million securities with a total value of MNT 344.27 billion was successfully traded.

SECONDARY MARKET TRADING OF SHARES

Regular trading accounted for 96.61 billion MNT, 43.72 percent or 76.1 billion MNT for portfolio trading, and 0.78 percent or 1.36 billion MNT for tender trading.

A total of 476.03 million shares or 174.08 billion MNT worth of shares of 172 companies were traded on the secondary market. During the reporting period, the securities of 169 JSCs were traded, the securities prices of 63 companies increased, the securities prices of 68 companies decreased, and the securities prices of 38 companies were not changed. Securities of "Mon Beef" JSC, "Tourist Duty Free" JSC and "Khuvsgul Waterway" JSC were removed from the listing.



TRADING OF ASSET-BACKED SECURITIES

During the reporting period, 746.59 thousand Asset-backed securities with a value of MNT 63.49 billion were traded in the primary and secondary markets, which accounted for 8.75 percent of the total trading value.

TRADING OF INVESTMENT FUND UNIT RIGHTS

During the reporting period, 10.02 million units were traded for 5.91 billion MNT in the secondary market trading of the "National Privatization Fund" and "Mandal Future Growth" joint close ended investment fund, which is 0.82 percent of the total trading value.

BLOCK TRADING

During the reporting period, MNT 76.10 billion of 114.22 million shares were traded in block trading. This represents 43.72 percent of the total secondary market trading value of shares. Among them, the first three joint-stock companies traded at a high value are "Ard Financial Group" JSC, "Ard Credit" JSC, and "Khorin Khoyordugaar baaz" JSC.

CORPORATE BOND TRADING

During the reporting period, 1.380 million units of debt instruments with a value of 138.08 billion MNT were traded in the primary and secondary markets, which accounted for 15.81 percent of the total trading value.

During the reporting period, a total of 1,075,000 debt instruments with a value of 107.5 billion MNT were traded in the primary bond market of the company. It includes:

- 85,000 "Sendly Bonds" with a nominal value of MNT 100,000 each, 19.2% annual interest rate, and 18-month maturity, for a total of MNT 8.5 billion;
- Tranche-3 and 4.5 of "Invescore" JSC 300,000 units "Invescore-2.0" bond, with a nominal value of 100,000 MNT each, with an annual interest rate of 18 percent, with a maturity of 12 months, for a total of 30 billion MNT;
- 80,000 units of "Bid Bonds" of "Business-Invest Development" LLC, with a nominal value of 100,000 MNT, with an annual interest rate of 18.5 percent, with a term of 18 months, for a total of 8 billion MNT;
- 200,000 units of "Simple I bond" with a nominal value of MNT 100,000 each, with an annual interest rate of 18 percent with a term of 12 months, for a total of MNT 20 billion;
- 90,000 units of "LendMN" JSC Bonds with a nominal value of MNT 100,000 each, 18 percent annual interest, 24-month term, for a total of MNT 9 billion;
- 150,000 unit of "Ashid capital" JSC's "Simple II bonds" with a nominal value of MNT 100,000 each, 17.5 percent annual interest, 12-month term, totaling MNT 15 billion;
- 170,000 units of "Khan bank" JSC's "Green Bond" with a nominal value of 100,000 MNT each, 16 percent annual interest rate, 36-month maturity, and a total of 17 billion MNT were successfully traded in the primary market.

LISTED COMPANIES

As of December 28, 2023, there are 27 joint-stock companies in classification I, 46 in classification II, and 100 in classification III.

30 MOST ACTIVELY TRADED SECURITIES

SECURITIES	VOLUME /million/	SECURITIES	VALUE /billion/
BOGD BANK	68.73	INVESCORE	33.47
MONGOLIAN STOCK EXCHANGE	51.47	KHAAN BANK	18.84
LENDMN	25.43	APU	16.27
PREMIUM NEXUS	25.25	TRADE AND DEVELOPMENT BANK	15.13
SENDLY	24.16	GOLOMT BANK	13.05
MANDAL INSURANCE	22.58	ARD FINANCIAL GROUP	8.65
GAZAR SHIM	17.16	MONGOLIAN STOCK EXCHANGE	7.57
ARD CREDIT	16.65	BOGD BANK	7.03
ERDENES SOLUTIONS	16.41	MANDAL FUTURE GROWTH	5.53
KHAAN BANK	16.13	GOVI	4.73
GOVI	15.63	PREMIUM NEXUS	4.71
TANDEM INVEST	14.19	TAVAN TOLGOI	4.57
MONOS KHUNS	14.11	SENDLY	4.22
APU	14.05	ATAR-URGUU	4.01
GOLOMT BANK	11.50	ERDENE RESOURCE DEVELOPMENT CORPORATION	2.39
REMICON	9.64	TALKH CHIKHER	2.27
MONLOGISTICS HOLDING	7.95	ARD CREDIT	1.95
MANDAL FUTURE GROWTH	6.25	STATE BANK	1.65
INVESCORE	5.84	ARD INSURANCE	1.60
DARKHAN NEKHII	5.79	TUMEN SHUWUUT	1.53
BODI INSURANCE	4.97	MONOS KHUNS	1.53
TUMEN SHUWUUT	4.54	MANDAL INSURANCE	1.52
NATIONAL PRIVATIZATION FUND	3.77	MONLOGISTICS HOLDING	1.45
STATE BANK	2.93	MONGOL POST	1.17
ERDENE RESOURCE DEVELOPMENT CORPORATION	2.71	LENDMN	1.06
ARD FINANCIAL GROUP	2.62	CRYPTO NATION	1.02
МОНГОЛ БАЗАЛЫТ	2.54	SUU	0.97
SUU	2.46	KHAS BANK	0.92
ARD INSURANCE	1.89	GAZAR SHIM	0.89
KHAS BANK	1.52	KHORIN KHOYOR DUGAAR BAAZ	0.63

20 SECURITIES WITH INCREASE IN PRICE

Securities	2022.12.3 0	2023.12. 28	Change	
			Amount	Percentage
UNDURKHAAN	2,600.0 0	24,100.0 0	21,500.0 0	826.92
EREENTSAV	1,400.0 0	9,180.00	7,780.0 0	555.71
KHISHIG UUL	591.00	2,800.00	2,209.0 0	373.77
GLOBAL MONGOLIA HOLDINGS	230.0 0	971.00	741.00	322.17
TAVILGA	2,412.0 0	9,725.0 0	7,313.0 0	303.19
ULAAN SAN	1,100.0 0	3,737.0 0	2,637.0 0	239.73
GDACS	96.00	310.00	214.00	222.92
TECHNICIMPORT	12,000.00	31,340.0 0	19,340.00	161.17
KHURD	45,720.00	115,500.00	69,780.00	152.62
TAVAN TOLGOI	8,105.00	17,810.00	9,705.00	119.74
SONSGOLON BARMAT	1,100.0 0	2,354.0 0	1,254.0 0	114.00
MONGOL DIESEL	3,333.00	6,900.00	3,567.0 0	107.02
MONGOL KERAMIK	1,110.00	2,248.00	1,138.00	102.52
MONGOL NEKHMEL	5,060.0 0	10,120.00	5,060.00	100.00
EUROASIA CAPITAL HOLDING	165.00	328.0 0	163.00	98.79
MANDAL GOVI IMPEX	710.0 0	1,325.00	615.0 0	86.62
SOR	390.00	709.00	319.00	81.79
TEEVER DARKHAN	8,275.0 0	14,990.0 0	6,715.00	81.15
LENDMN	30.89	53.96	23.07	74.68
MOGOIN GOL	9,200.0 0	16,000.00	6,800.00	73.91

20 SECURITIES WITH DECREASE IN PRICE

Securities	2022.12.30	2023.12.28	Change	
			Amount	Percentage
ERDENES SOLUTIONS	44.84	10.22	(34.62)	(77.21)
ATAR-URGUU	68,000.00	33,000.00	(35,000.00)	(51.47)
FRONTIER LEND GROUP	200.00	100.00	(100.00)	(50.00)
KHORIN KHOYORDUGAAR BAAZ	2,733.00	1,400.00	(1,333.00)	(48.77)
GENCO TOUR BUREAU	52.00	29.26	(22.74)	(43.73)
AUTOIMPEX	2,680.00	1,552.00	(1,128.00)	(42.09)
TENGERLEAGUE MEDIA GROUP	16,900.00	10,000.00	(6,900.00)	(40.83)
KHUVSGUL ALTAN DUULGA	499.90	302.03	(197.87)	(39.58)
MUDIX	4,675.00	3,000.00	(1,675.00)	(35.83)
TELECOM MONGOLIA	659.00	461.08	(197.92)	(30.03)
GOLOMT BANK	1,274.00	906.74	(367.26)	(28.83)
BAGANUUR	1,098.00	788.00	(310.00)	(28.23)
ARD FINANCIAL GROUP	4,880.00	3,506.00	(1,374.00)	(28.16)
HBOIL	33.00	23.77	(9.23)	(27.97)
STATE DEPARTMENT STORE	4,144.00	3,009.00	(1,135.00)	(27.39)
SUU	473.25	345.71	(127.54)	(26.95)
OLLOO	19.02	14.00	(5.02)	(26.39)
GUTAL	55,050.00	41,240.00	(13,810.00)	(25.09)
UB-BUK	380.10	290.00	(90.10)	(23.70)
ADUUNCHULUUN	793.00	620.00	(173.00)	(21.82)

OVERVIEW OF TRADING OF MINING PRODUCTS

OVERVIEW OF TRADING OF MINING PRODUCTS IN 2023

The “Mongolian Stock Exchange” JSC conducted a trial electronic auction trading on January 12, 2023, involving parties interested in buying and selling coal as part of the “Open electronic trading for coal for export” approved by Resolution No. 466 of the Government of Mongolia dated December 14, 2022.

Last year, by organizing open, transparent and fair online trading of mining products and creating the opportunity to establish the real market price, the seller companies Erdenes Tavantolgoi HSC, Energy Resources LLC, Khangada Exploration LLC, Tavantolgoi JSC, Andiin Elch LLC, Mongolrostsvetmet, Darkhany Iron Industry LLC. traded a total of 15.6 million tons of coal, iron ore, and concentrates for 7.5 trillion MNT or 2.2 billion US dollars through the Mongolian Stock Exchange. In 2023, a total of 344 electronic auction trades for mining products were held.

TRADING OF MINING PRODUCTS

In 2023, the Mongolian Stock Exchange held a total of 299 successful trades, involving the exchange of 15,615,050 tons of mining products of which, 14,937,600 tons were coal and 677,450 tons were iron. 95.7 percent of the total trade is coal trade, and 4.3 percent is iron ore and iron concentrate trade.

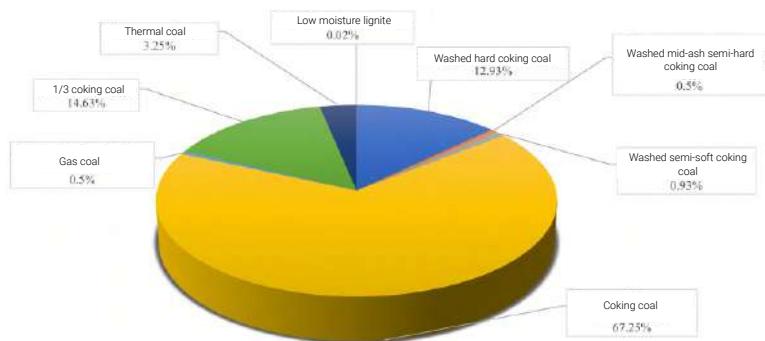


COAL TRADE

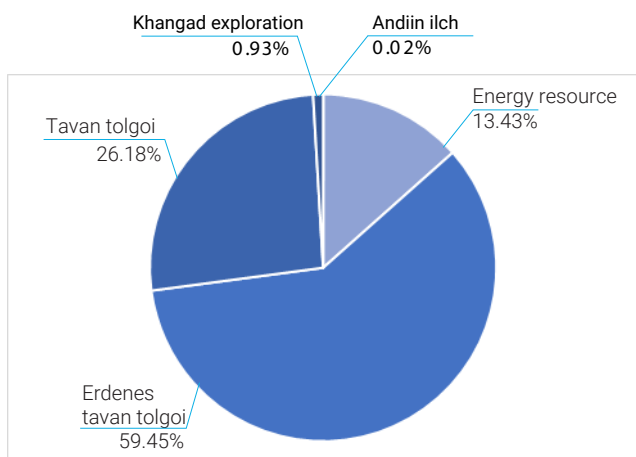
In 2023, a total of 204 coal auctions were held and 14.9 million tons of coal were traded for 7 trillion 345.2 billion MNT or 2.15 billion US dollars. The average increase in the price of auctioned coal was 8.5 percent. In 2023, the selling companies earned a total of 523.66 billion MNT in additional income from the increase in the price of coal traded through auctions. During the reporting period, an average of 73.2 thousand tons of coal was traded for 36.0 billion MNT.

	Type of product	Quantity /Tonn/	Amount /Billion/
1	Washed hard coking coal	1,472,000	MNT949.96
2	Coking coal	9,036,800	MNT 4,939.91
3	Washed semi-soft coking coal	140,800	MNT 68.15
4	1/3 coking coal	2,937,600	MNT 1,074.88
5	Washed mid-ash semi-hard coking coal	153,600	MNT 36.57
6	Thermal coal	1,075,200	MNT 238.56
7	Gas coal	108,800	MNT 35.79
8	Low moisture lignite	12,800	MNT 1.35
	TOTAL	14,937,600	MNT 7,345.19

67.25 percent or 4 trillion 939.92 billion MNT of the total value of coal trade in Coking Coal, 14.63 percent or 1 trillion 74.88 billion MNT in 1/3 Coking Coal, 12.93 percent or 949.97 billion MNT in washed hard coking coal, 3.25 percent or 238.56 billion MNT for thermal coal, 0.93 percent or 68.15 billion MNT for washed semi-soft coking coal, 0.5 percent or 36.57 billion MNT for washed mid-ash semi-hard coking coal, 0.5 percent or 35.79 billion MNT for gas coal, 0.02 percent or 1.35 billion MNT is the low-moisture lignite, respectively.



59.45 percent or 4 trillion 366.36 billion MNT of the total value of coal trading was held by "Erdenes Tavantolgoi" JSC, 26.18 percent or 1 trillion 923.8 billion MNT was held by "Tavantolgoi" JSC, 13.43 percent or 986.54 billion MNT was held by "Energy Resources" LLC. 0.93 percent or 68.15 billion MNT was traded by "Khangad Exploration" LLC, and 0.02 percent or 1.35 billion MNT was traded by "Andiin Ilch" LLC.

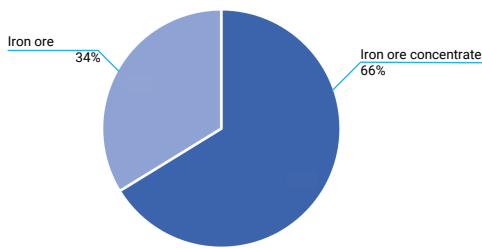


In 2023, a total of 204 coal trades were successfully conducted, and the largest number of coal trades, 33, was held in December. It includes:

Month	Number of trade	Volume /Tonn/	Amount /Billion/
January	1	12,800	MNT 8.43
February	4	19,200	MNT 122.37
March	11	588,800	MNT 305.55
April	10	390,400	MNT 210.16
May	9	358,400	MNT 122.1
June	19	1,568,000	MNT 545.4
July	5	153,600	MNT 69.24
August	22	1,049,600	MNT 480.3
September	27	3,155,200	MNT 1,473.24
October	32	2,387,200	MNT 1,141.56
November	31	1,651,200	MNT 942.37
December	33	3,430,400	MNT 1,924.5

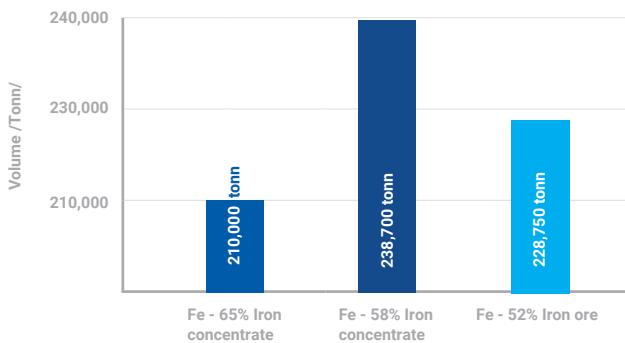
IRON ORE, CONCENTRATE TRADE

The State Great Khural approved the Law on Mining Products Exchange, which came into effect on June 30, 2023. According to Resolution No. 31 dated September, 2023, the Board of Directors of the "Mongolian Stock Exchange" approved the "Rules for determining and enforcing iron ore and concentrate trading standart". "Mongol-rostsvetmet" and "Dharkhan Metallurgical Industry" LLC registered as a seller and by offer of these companies first iron ore, concentrate trade were successfully organized on September 15, 2023.



Iron ore and concentrate traded in 2023

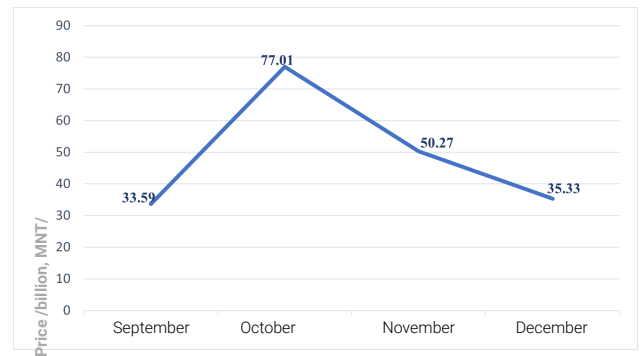
In 2023, 677.4 thousand tons of iron ore and concentrate were traded for 196.2 billion MNT or 57.5 million US dollars in 95 trades. It includes: 448,700 tons or 134.72 billion MNT of iron concentrate and 228,750 tons or 61.48 billion MNT of iron ore were traded.



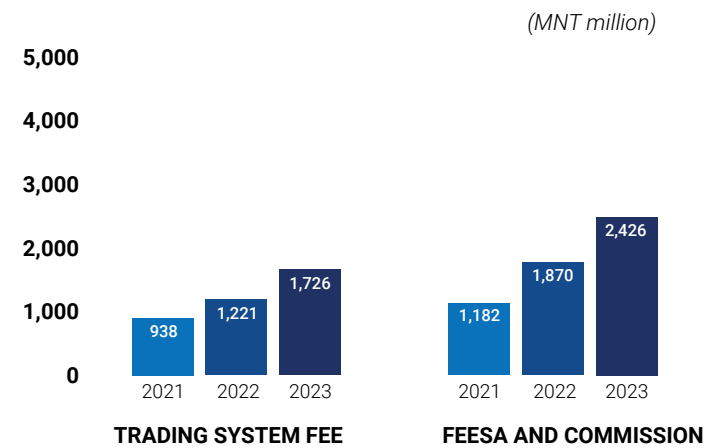
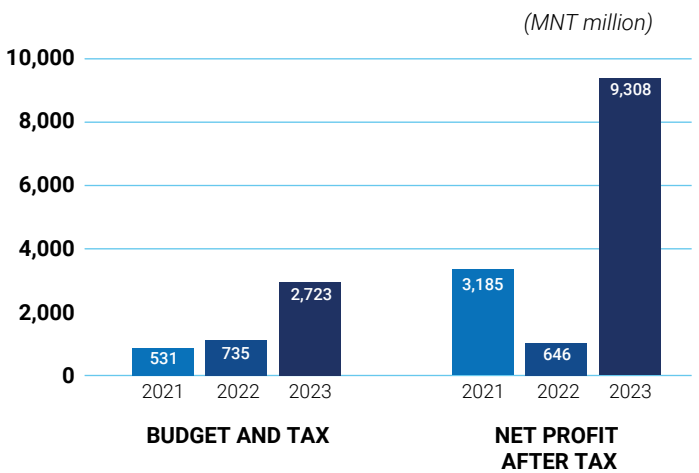
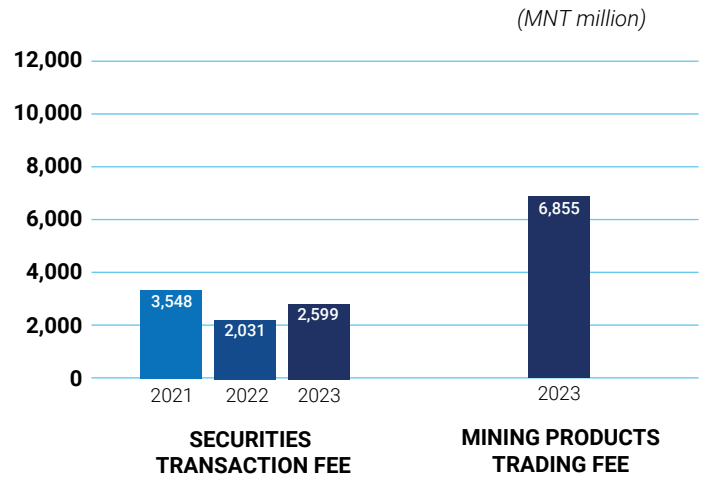
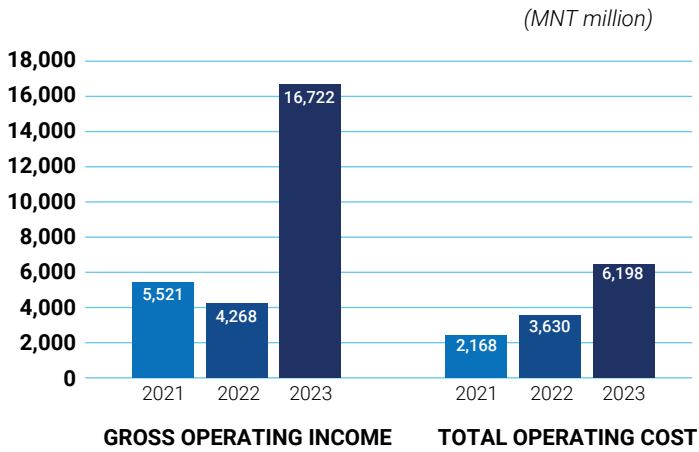
Specifically: 210,000 tons of Fe - 65% iron concentrate or 71.32 billion MNT, 238,700 tons of Fe - 58% iron concentrate or 63.4 billion MNT, and 228,750 tons of Fe-52% iron ore or 61.48 billion MNT trades were held. Including:

- 9 trades of iron ore and concentrate in September, trading 100,600 tons or 33.59 billion MNT.
- 266,800 tons or 77.01 billion MNT in 32 iron ore and concentrate trading in October.
- 184,650 tons or 50.27 billion MNT in 31 iron ore and concentrate trading in November.
- 125,400 tons or 35.33 billion MNT in 23 iron ore and concentrate trading in December.

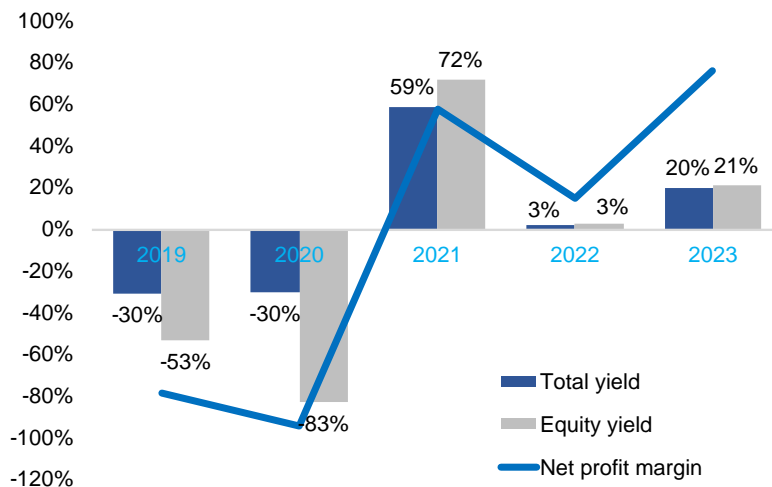
In 2023, the sellers earned a total of 11.91 billion MNT of additional income from the increase in the price of iron ore and concentrates traded in auctions.



Financial performance of 2023



PROFITABILITY RATIO



FINANCIAL STATEMENT

2023



МОНГОЛЫН
ХӨРӨНГИЙН БИРЖ



ҮНДЭСНИЙ АУДИТЫН ГАЗАР

САНХҮҮГИЙН АУДИТЫН ТАЙЛАН

МОНГОЛЫН ХӨРӨНГИЙН БИРЖ ХК-ИЙН 2023 ОНЫ САНХҮҮГИЙН
ТАЙЛАНД ХИЙСЭН АУДИТЫН ТАЙЛАН

АУДИТЫН КОД: СНАГ-2024/54/НА-СТА-ТӨА

Энэхүү аудитын тайлантай холбоотой нэмэлт мэдээллийг
дараах хаягаар авна уу.



Улаанбаатар хот
2024 он

Санхүү-Нийцлийн аудитын газрын захирал,
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Аудитын менежер: **П.Чанцалдулам**
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Ахлах аудитор: **Э.Энхбаатар**
Утас: 261628 Цахим хаяг: enkhbaatare@audit.gov.mn
Аудитыг гэрээгээр гүйцэтгэсэн "Ихмонгол хөлөг Аудит ХХК
-ийн захирал: **С.Тунгалаг**
Утас: 70001778



ҮНДЭСНИЙ АУДИТЫН ГАЗАР

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Утас:26-04-37, Факс:51-26-42-30
E-mail: info@audit.gov.mn

2024.03.25 № 07/781

танай _____ -ны № _____ -т

МОНГОЛЫН ХӨРӨНГИЙН БИРЖ
ХК-ИЙН ГҮЙЦЭТГЭХ ЗАХИРЛЫН ҮҮРГИЙГ
ТҮР ОРЛОН ГҮЙЦЭТГЭГЧ Ж.ЦОГТБАЯР
ТАНАА

Хязгаарлалттай санал дүгнэлт

Төрийн аудитын тухай хуулийн 6 дугаар зүйлийн 6.3.1, 8 дугаар зүйлийн 8.1, Төсвийн тухай хуулийн 8 дугаар зүйлийн 8.9.8-д заасны дагуу Монголын хөрөнгийн бирж ХК-ийн 2023 оны 12 дугаар сарын 31-ний өдрөөрх санхүүгийн байдал, орлогын дэлгэрэнгүй, өмчийн өөрчлөлт, мөнгөн гүйлгээний тайлан, тодруулгуудад аудит хийлээ.

Дүгнэлтийн үндэслэл хэсэгт дурдсан буруу илэрхийлэл нь шинж чанарын хувьд материаллаг боловч өргөн тархаагүй гэж үзсэн бөгөөд санхүүгийн тайланд үзүүлэх нөлөөг эс тооцвол Монголын хөрөнгийн бирж ХК-ийн 2023 оны 12 дугаар сарын 31-ний өдрөөрх санхүүгийн тайланг Нягтлан бодох бүртгэлийн тухай хууль, Санхүүгийн тайлагналын олон улсын стандартад нийцүүлэн бүх материаллаг зүйлсийн хувьд үнэн зөв толилуулсан байна.

Дүгнэлтийн үндэслэл

Төрийн аудитын байгууллага аудит хийхдээ Аудитын дээд байгууллагын олон улсын стандарт, түүнд нийцүүлэн Монгол Улсын Ерөнхий аудиторын баталсан журам, зааврын дагуу гүйцэтгэж, аудит хийгдэх байгууллагаас хараат бус, аудиторын ёс зүйн үүрэг хариуцлагыг биелүүлж ажилласан. Бидний цуглуулсан хангалттай бөгөөд зохистой аудитын нотолгоо нь дүгнэлт өгөх үндэслэл болно.

Нийт илрүүлсэн татан төвлөрүүлсэн хөрөнгөөс урсгал зардалд зарцуулсан, авлага, өглөгийн үлдэгдлийг тооцоо нийлсэн актаар баталгаажуулаагүй, төлөөлөн удирдах зөвлөлийн зардлыг хэтрүүлсэн зэрэг зөрчил нь бидний тогтоосон материаллаг байдлын түвшнээс 461.7 сая төгрөгөөр давсан нь Нягтлан бодох бүртгэлийн тухай хуулийн 13 дугаар зүйлийн 13.1, 20 дугаар зүйлийн 20.2.4, Төрийн болон орон нутгийн өмчийн тухай хуулийн 11 зүйлийн 11.8, Үнэт цаасны зах зээлийн тухай хуулийн 10 дугаар зүйлийн 10.5.11-д заасантай тус тус нийцээгүй, санхүүгийн тайлагналын нийцсэн бөгөөд зохистой байх батламж мэдэгдлийг хангахгүй байна.

Асуудлыг онцолсон хэсэг

Монгол Улсын Засгийн газрын "төрийн мэдлийн хувьцааг 2022-2023 онд биржээр олон нийтэд нээлттэй худалдах төрийн өмчит хуулийн этгээдийн жагсаалт батлах тухай" 2022 оны 6 дугаар сарын 29-ний өдрийн 244 дүгээр тогтоолоор Монголын хөрөнгийн бирж ТӨХК-ийг олон нийтэд нээлттэй хувьцаат компани болгох шийдвэр гаргасан байна.

0001951657

Санхүүгийн зохицуулах хорооны “Нэмж гаргаж буй үнэт цаасыг нийтэд санал болгохыг зөвшөөрсөн үнэт цаасны бүртгэлд бүртгэх тухай” 2022 оны 12 дугаар сарын 14-ний өдрийн 690 дугаар тогтоолоор нийтэд санал болгон нэмж гаргаж буй нэг бүр нь 100 /нэг зуун/ төгрөгийн нэрлэсэн үнэ бүхий 119,157,603 /Нэг зуун арван есөн сая нэг зуун тавин долоон мянга зургаан зуун гурав/ ширхэг хувьцааг бүртгэн тус компанийн нийт хувьцааг 350,463,539 (гурван зуун тавин сая дөрвөн зуун жаран гурван мянга таван зуун гучин есөн) ширхэг байхаар зөвшөөрлийг олгожээ.

Монголын хөрөнгийн бирж ТӨХК нь анхдагч арилжааг 2022 оны 12 дугаар сарын 26-наас 2022 оны 12 дугаар сарын 30-ны өдрийн хооронд анхдагч арилжааг амжилттай зохион байгуулж, Хоёрдогч арилжааг 2023 оны 01 дүгээр сарын 09-ний өдөр эхлүүлсэн байна.

Хувьцаа эзэмшигчдийн хурлын 2023 оны 04 дүгээр тогтоолоор нэг бүр нь 100 /нэг зуун/ төгрөгийн нэрлэсэн үнэтэй 350,463,539 ширхэг энгийн хувьцаатай буюу 11,915.8 сая төгрөгөөр нэмэгдүүлж, нийт 35,046.4 сая төгрөгөөр компанийн хувь нийлүүлсэн хөрөнгийн дүнг компанийн дүрмээр баталсан байна.

Монголын хөрөнгийн бирж ХК-ийн Төлөөлөн удирдах зөвлөлийн 2023 оны 02 дугаар сарын 28-ны өдрийн 04 дүгээр тогтоолоор 2022 оны цэвэр ашиг болох 646.2 сая төгрөгөөс ногдол ашиг хуваарилахгүйгээр шийдвэрлэсэн байна.

Аудитын гол асуудал

Монголын хөрөнгийн бирж ХК нь 2022 оны өөрийн хөрөнгийн дүнгийн 3 хувиар буюу 635.8 сая төгрөгийн уул уурхайн биржийн эрсдэлийн санг анх удаа байгуулж, Голомт банканд байршуулсан байна.

Бусад асуудлын хэсэг

Компанийн Төлөөлөн удирдах зөвлөлийн 2023 оны 03 дугаар сарын 27-ны өдрийн 08 дугаар тогтоолоор компанийн 2022 оны үйл ажиллагааны тайланг 91.0 хувийн хэрэгжилттэй, “Хангалттай”, 2023 оны 03 дугаар сарын 27-ны өдрийн 06 дугаар тогтоолоор Санхүүгийн үйл ажиллагааг “Сайжруулах шаардлагатай” гэж дүгнэсэн байна.

Компани нь 2023 онд 3 үндсэн зорилгын хүрээнд 14 зорилтыг хэрэгжүүлэхээр 33 багц ажил, 117 арга хэмжээг төлөвлөсөн ба үйл ажиллагааны тайланд өгөх Төлөөлөн удирдах зөвлөлийн дүгнэлт аудитын явцад гараагүй байна.

Монгол Улсын Сангийн яамны Санхүүгийн хяналт удирдлагын газраас Монголын хөрөнгийн бирж ХК-ийн 2023 оны бизнес төлөвлөгөөнд тусгагдсан 3 үндсэн зорилгын хүрээнд 14 зорилтыг хэрэгжүүлэхээр 33 багц ажил, 117 арга хэмжээний хэрэгжилтэд хяналт-шинжилгээ, үнэлгээ хийж 80.3 хувийн хэрэгжилттэй гэж дүгнэсэн нь өмнөх оны хяналт шинжилгээ үнэлгээний гүйцэтгэлийн үнэлгээнээс 7.3 хувиар буурсан үзүүлэлттэй байна. Тус хяналт шинжилгээ үнэлгээгээр 12 зөвлөмж хүргүүлсэн байна.

Удирдлага болон Засаглах эрх бүхий этгээдийн санхүүгийн тайланд хүлээх үүрэг, хариуцлага

Удирдлага нь санхүүгийн тайланг Нягтлан бодох бүртгэлийн тухай хууль, Санхүүгийн тайлагналын олон улсын стандартын дагуу үнэн зөв бэлтгэж толилуулах үүрэгтэй.

Санхүүгийн тайланг залилан эсвэл алдааны улмаас үүсэх материаллаг буруу илэрхийлэлгүй бэлтгэхэд шаардлагатай гэж үзсэн дотоод хяналтыг тодорхойлж, хэрэгжүүлэх үүрэг хариуцлага хүлээнэ.

Төрийн аудитын байгууллагын үүрэг, хариуцлага

Төрийн аудитын байгууллага залилан эсвэл алдааны улмаас үүсэх материаллаг буруу илэрхийллээс санхүүгийн тайлан бүхэлдээ ангид эсэх талаарх үндэслэлтэй баталгаажуулалт олж авах, дүгнэлт, зөвлөмж бүхий аудитын тайлан гаргах зорилготой.

Үндэслэлтэй баталгаажуулалт нь дээд түвшнийх боловч үнэмлэхүй түвшний баталгаажуулалт биш бөгөөд АДБОУС-ын дагуу хийсэн аудитаар бүх материаллаг буруу илэрхийлэл бүрийг илрүүлнэ гэсэн баталгаа болохгүй юм.

Буруу илэрхийлэл нь залилан эсвэл алдаанаас үүсэж болох бөгөөд дангаараа эсвэл нийлээд уг санхүүгийн тайланд үндэслэн гаргах хэрэглэгчдийн эдийн засгийн шийдвэрт нөлөөлөх үндэслэлтэй байвал материаллаг гэж үздэг.

САНХҮҮ-НИЙЦЛИЙН АУДИТЫН ГАЗРЫН
ЗАХИРАЛ, ТЭРГҮҮЛЭХ АУДИТОР

Ц.НАРАНЧИМЭГ



FINANCIAL STATEMENT (MNT)

Column number	Items	12/31/2022	12/31/2023
1	ASSETS		
1.1	Current assets		
1.1.1	Cash and cash equivalent	1,731,709,823.19	902,582,814,516.91
1.1.2	Account receivable	504,659,308.87	1,868,454,950.77
1.1.3	Tax, Social insurance receivable	822,948.07	1,457,509.01
1.1.4	Other receivable	-	149,471,451.41
1.1.5	Other current financial assets	-	-
1.1.6	Inventories	33,650,495.17	36,053,729.65
1.1.7	Prepayments	12,775,744.35	204,642,999.30
1.1.8	Other current assets	13,160,000.00	-
1.1.9	Non-current assets classified as held for sale	-	-
1.1.10		-	-
1.1.11	Total current Asset	2,296,778,319.65	904,842,895,157.05
1.2	Non-current asset		
1.2.1	Property, plant and equipment	5,536,483,495.31	5,453,061,929.98
1.2.2	Intangible assets	17,648,438,922.95	16,998,953,543.12
1.2.3	Livestock (Agricultural)	-	-
1.2.4	Long term investments	-	-
1.2.5	Research	-	-
1.2.6	Deferred tax revenue	-	-
1.2.7	Investment properties	-	-
1.2.8	Other non-current assets	-	-
1.2.9		-	-
1.2.10	Total Non-current Asset	23,184,922,418.26	22,452,015,473.10
1.3	TOTAL ASSET	25,481,700,737.91	927,294,910,630.15
2	LIABILITY AND EQUITY		
2.1	LIABILITIES		
2.1.1	Current liabilities		
2.1.1.1	Account payable	793,176,221.30	265,821,383.36
2.1.1.2	Salary payable	-	612,117.37
2.1.1.3	Income tax payable	190,085,198.35	341,303,910.22
2.1.1.4	Social insurance payable	-	-
2.1.1.5	Short term loans and borrowings	-	-
2.1.1.6	Interest payable	-	-

FINANCIAL STATEMENT(MNT)

Column number	Items	12/31/2022	12/31/2023
2.1.1.7	Dividend payable	-	-
2.1.1.8	Prepaid revenue	15,396,128.32	17,955,656.95
2.1.1.9	Stock / liability/	-	-
2.1.1.10	Other liabilities	-	-
2.1.1.11	Liabilities associated with assets classified as held for sale	-	-
2.1.1.12	Cash in collateral for mining products trade	-	880,962,845,181.82
2.1.1.13	Total current liabilities	998,657,547.97	881,588,538,249.72
2.1.2	Long term liabilities		
2.1.2.1	Long term loan and borrowings	-	-
2.1.2.2	Stock /liability/	-	635,862,600.00
2.1.2.3	Deffered tax liability	990,846,139.66	990,698,992.92
2.1.2.4	Other liabilities	-	-
2.1.2.5			
2.1.2.6	Total long term liabilities	990,846,139.66	1,626,561,592.92
2.2	Total liabilities	1,989,503,687.63	883,215,099,842.64
2.3	Equity	23,130,593,600.00	35,046,353,900.00
	Ownership:		
2.3.1	a) state	23,130,593,600.00	23,130,593,600.00
2.3.2	б) private	-	-
2.3.3	в) joint-stock	-	11,915,760,300.00
2.3.4	Treasury shares		
2.3.5	Aditonal paid in capital		
2.3.6	Revaluation reserve	20,021,146,332.29	20,021,146,332.29
2.3.7	Foreign currency translation reserve		
2.3.8	Other components of equity	446,321,902.02	446,321,902.02
2.3.9	Retained earnings	(20,105,864,784.03)	(11,434,011,346.80)
2.3.10			
2.3.11	Total equity	23,492,197,050.28	44,079,810,787.51
2.4	TOTAL LIABILITIES AND EQUITY	25,481,700,737.91	927,294,910,630.15

INCOME STATEMENT (MNT)

Column number	Items	12/31/2022	12/31/2023
1	Operating income	4,241,344,850.62	12,147,031,303.89
1.1	Income from broker and dealer activities	4,241,344,850.62	-
1.2	Income from underwriting activities	-	-
1.3	Net proceeds from securities trading	-	12,147,031,303.89
1.4	Net income from the securities valuation equation	-	-
2	Rental income		
3	Interest income	-	4,562,440,335.78
4	Dividends income	-	-
4.1	Securities dividends income		
4.2	Income from subsidiaries and joint ventures		
5	Income from copyright fees/charges	-	-
6	Other income	27,070,762.46	13,170,675.00
7	Selling and advertisement expense	-	186,062,107.06
8	General and administrative income	3,557,629,057.47	5,992,598,429.63
9	Financial costs	-	-
10	Other operating expenses	71,765,222.02	19,748,469.36
11	Foreign exchange gain(loss)	130,867,477.80	(186,717,492.52)
12	Gain (loss) on disposal of Property, plant and equipment	(141,003.17)	-
13	Gain (loss) on disposal of intangible assets	-	-
14	Other gain (loss)	-	-
15	Gain (loss) before tax	769,747,808.22	10,337,515,816.10
16	Income tax expense	123,519,584.56	1,029,799,778.87
17	Profit after tax	646,228,223.66	9,307,716,037.23
18	Profit (loss) after tax from discontinued operations	-	-
19	Profit for the year	646,228,223.66	9,307,716,037.23
20	Other comprehensive income	20,008,784,115.62	-
20.1	Revaluation of assets	20,008,784,115.62	-
20.2	Exchange differences on conversion of foreign operations	-	-
20.3	Other gain (loss)	-	-
21	Total income	20,655,012,339.28	9,307,716,037.23
22	Tax payable	-	-

STATEMENT OF CHANGES IN EQUITY(MNT)

Items	Issued capital	Treasury shares	Additional paid in capital	Revaluation reserve
At 31st, December 2021	23,130,593,600.00	-	-	12,362,200.00
Adjustments due to changes in accounting policies	-	-	-	-
Restated balance	23,130,593,600.00	-	-	12,362,200.00
Profit (loss) for the period	-	-	-	-
Other comprehensive income	-	-	-	20,008,784,100.00
Issue of share capital	-	-	-	-
Dividends	-	-	-	-
Revaluations	-	-	-	-
At 31st, December 2022	23,130,593,600.00	-	-	20,021,146,332.29
Adjustedments due to changes in accounting policies	-	-	-	-
Restated balance	23,130,593,600.00	-	-	20,021,146,332.29
Profit (loss) for the period	-	-	-	-
Other comprehensive income	-	-	-	-
Issue of share capital	11,915,760,300.00	-	-	-
Dividends	-	-	-	-
Revaluation	-	-	-	-
At 31st, December 2023	35,046,353,900.00	-	-	20,021,146,332.29

STATEMENT OF CHANGES IN EQUITY(MNT)

Item	Foreign currency Translation reserve	Other components of equity	Retained earnings	Total
At 31st, December 2021	-	446,321,902.02	(19,151,772,700.00)	4,437,505,000.00
Adjustments due to changes in accounting policies	-	-	(1,600,320,300.00)	(1,600,320,300.00)
Restated balance	-	446,321,902.02	(20,752,093,000.00)	2,837,184,700.00
Profit (loss) for the period	-	-	646,228,223.66	646,228,223.66
Other comprehensive income	-	-	-	20,008,784,100.00
Issue of share capital	-	-	-	-
Dividends	-	-	-	-
Revaluation	-	-	-	-
At 31st, December 2022	-	446,321,902.02	(20,105,864,784.03)	23,492,197,050.28
Adjustments due to changes in accounting policies	-	-	(635,862,600.00)	(635,862,600.00)
Restated balance	-	446,321,902.02	(20,741,727,384.03)	22,856,334,450.28
Profit (loss) for the period	-	-	9,307,716,037.23	9,307,716,037.23
Other comprehensive income	-	-	-	-
Issue of share capital	-	-	-	11,915,760,300.00
Dividends	-	-	-	-
Revaluation	-	-	-	-
At 31st, December 2023	-	446,321,902.02	(11,434,011,346.80)	44,079,810,787.51

STATEMENT OF CASHFLOW (MNT)

Column number	Items	12/31/2022	12/31/2023
1	Cash flows from operating activities		
1.1	Cash inflow	3,914,481,245.55	1,441,824,632,647.89
1.1.1	Sales of goods, rendering of services	3,735,454,914.86	11,595,182,149.63
1.1.2	Commission income	-	-
1.1.3	Insurance compensation	1,684,791.01	6,128,434.00
1.1.4	Tax return	-	-
1.1.5	Grants and subsidies	-	-
1.1.6	Proceeds from investment	-	-
1.1.7	Interest income	-	4,413,827,379.90
1.1.8	Dividends income	-	-
1.1.9	Other cash income	177,341,539.68	1,425,809,494,684.36
1.2	Cash outflow	4,619,870,426.48	544,905,224,391.89
1.2.1	Investments	-	238,000,000.00
1.2.2	Employee's salary payment	876,401,679.77	1,778,266,221.02
1.2.3	Social and health insurance	259,137,491.60	512,421,844.47
1.2.4	Inventories purchased	35,755,782.00	41,110,050.00
1.2.5	Cash paid for utility	65,253,743.16	111,522,685.60
1.2.6	Fuel, petrol, transportation fee, spare parts purchase	7,674,470.00	1,758,400.00
1.2.7	Interest payment	-	-
1.2.8	Tax payments	473,654,111.92	2,058,142,678.97
1.2.9	Insurance payments	-	5,000,000.00
1.2.10	Regulatory payments	-	566,128,324.18
1.2.11	Other cash payments	2,901,993,148.03	539,592,874,187.65
1.3	Net cash flow from generated from operating activities	(705,389,180.93)	896,919,408,256.00
2	Cash flows from investing activities		
2.1	Cash inflow (+)	-	-
2.1.1	Proceeds from disposal of property, plant and equipment	-	-
2.1.2	Proceeds from disposal of intangible assets	-	-
2.1.3	Proceeds from disposal of other long term assets	-	-

STATEMENT OF CASHFLOW(MNT)

Column number	Items	12/31/2022	12/31/2023
2.1.4	Repayment of loan receivables, reimbursement of prepayments	-	-
2.2	Cash outflow	423,392,511.67	575,344,268.00
2.2.1	Additions to property, plant and equipment	286,663,700.00	347,651,580.00
2.2.2	Additions to intangible assets	136,728,811.67	227,692,688.00
2.2.3	Acquisition of other assets	-	-
2.2.4	Loans provided, and prepayments	-	-
2.3	Net cash flow used in investing activities	(423,392,511.67)	(575,344,268.00)
3	Cash flows from financing activities		
3.1	Cash inflow (+)	-	11,915,759,800.00
3.1.1	Bank loans and bonds	-	-
3.1.2	Issue of share capital	-	11,915,759,800.00
3.1.3	Donations	-	-
3.1.4	Other cash inflow	-	-
3.2	Cash outflow (-)	-	-
3.2.1	Repayment of loans and debts	-	-
3.2.2	Financial leases	-	-
3.2.3	Share repurchase	-	-
3.2.4	Dividends	-	-
3.2.5	Other cash outflow	-	-
3.3	Net cash used in financing activities	-	11,915,759,800.00
4	Foreign exchange difference	131,127,879.87	(7,408,719,094.28)
5	Net increase/decrease in cash and cash equivalents	(997,653,812.73)	900,851,104,693.72
6	Cash and cash equivalents at 31 Dec 2022	2,729,363,635.92	1,731,709,823.19
7	Cash and cash equivalents at 31 Dec 2023	1,731,709,823.19	902,582,814,516.91



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