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# TSESB-AUDIT LLC

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## TO THE MANAGEMENT OF "DARKHAN HOTEL" JSC

**Date: 20 February 2024      № 2/003**

### INDEPENDENT AUDITOR'S REPORT

Confirming this report:

We audited the financial statements of DARKHAN HOTEL LLC, consisting of the balance sheet as of December 31, 2023, the income statement, the profit and loss statement, the change in ownership statement, and the cash flow statement for the fiscal year ended on that date.

#### Conclusion

We have concluded that the company's financial statements give a true and fair view of the company's financial situation as of December 31, 2023 and the results of operations and cash flows for the fiscal year ended on that date in accordance with international financial reporting standards.

#### Basis of conclusion

We performed an audit of the financial statements of this company in accordance with International Standards on Auditing (IAS). Responsibilities under these standards are set out in the Auditor's Responsibilities in the Audit of Financial Statements section of this report. We are independent from the company in evaluating the financial statements of this company in accordance with the ethical requirements applicable to the audit work, and we have fully fulfilled our other ethical obligations under these requirements. We believe that the audit evidence obtained is sufficient and appropriate to support our conclusions.

#### Other information

The management of the company is responsible for other information. Other information consists of information included in the annual report but not included in the financial statements and the auditor's report. Our opinion in the financial statements does not cover other information and we cannot provide assurance on other information. Our responsibility in connection with an audit of the financial statements is to read the other information and determine whether the information is consistent with the financial statements or our understanding of the audit, or whether it may be materially misstated. We are required to report any material misstatements related to this other information while performing the procedures described above. There are no related items to report.

*Translated from Mongolian into English. Contact info: Email: [success.muugii@yahoo.com](mailto:success.muugii@yahoo.com). Tel: 976-99239369, Office address: Chingeltei district, 4<sup>th</sup> khoroo, Alfa center, #14, Ulaanbaatar Mongolia. I have done this translation accurately to the best of my knowledge.*  
Signature of translator ... ..

### **Responsibilities of management in relation to financial statements**

The preparation and presentation of financial statements in accordance with international financial reporting standards is the responsibility of the company's management. This responsibility includes selecting and applying appropriate accounting policies and making accounting estimates that are appropriate in the circumstances to prevent fraud and also responsible for establishing, implementing, and maintaining internal controls related to the preparation and presentation of financial statements that are free from material misstatements that could result from other errors.

In preparing the financial statements, management should act on a going concern basis when preparing the financial statements, unless management intends to cease operations, liquidate the company, or has no real choice but to do so. In doing so, it is responsible for evaluating the company's ability to continue its operations, clarifying issues related to the continuity principle if possible, and applying the basic principle of accounting continuity.

### **Responsibility of auditors**

It is our responsibility to make an independent opinion on these financial statements based on our financial audit and report to you, the legal entity specified in Article 94 of the "Company Law" of Mongolia, and not to any other party. We shall not be liable to any third party for the content of this report.

We have completed this audit in accordance with the International Auditing Standards. Those standards require us to plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatements and to comply with ethical requirements. Our objective is to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue a conclusive auditor's report.

Substantive evidence is a high level of evidence, but not evidence that an audit conducted in accordance with International Standards on Auditing consistently detects material misstatements. Misstatements may result from fraud or error and are considered material if, individually or in the aggregate, they are likely to influence the economic decisions of users based on the financial statements.

Kind regards,



**CH.TSERENNADMID,**

**DIRECTOR**

*(signed and stamped)*