



GOBI JSC AND ITS SUBSIDIARIES  
**CONSOLIDATED FINANCIAL STATEMENTS**

*December 31, 2022*

**GOBI JSC AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
*(in thousands of MNT)*

	2022.12.31	2021.12.31
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	9,034,919	4,389,479
Trade and other receivables	3,318,986	2,258,129
Prepayments and advances	2,318,495	2,509,612
Inventories	128,791,463	138,030,372
Right to returned goods assets	17,227	-
	<b>143,481,090</b>	<b>147,187,592</b>
<b>Non-current assets</b>		
Property, plant and equipment	137,432,575	145,404,533
Right-of-use assets	731,724	1,328,307
Deferred tax assets	14,879,483	4,634,777
Other non-current assets	1,587,295	1,612,453
	<b>154,631,077</b>	<b>152,980,070</b>
<b>Total Assets</b>	<b>298,112,167</b>	<b>300,167,662</b>
<b>LIABILITIES AND OWNERS' EQUITY</b>		
<b>Current liabilities</b>		
Trade and other payables	20,969,192	15,982,955
Contract liabilities	1,983,898	1,370,281
Refund liabilities	26,503	-
Short-term lease liabilities	777,988	914,850
Corporate income tax payable	3,683,126	111,894
Short-term borrowings	129,853,617	132,650,889
	<b>157,294,324</b>	<b>151,030,869</b>
<b>Non-current liabilities</b>		
Long-term lease liabilities	112,069	672,587
Long-term borrowings	95,686,234	93,407,780
Long-term other payables	30,984,941	25,622,107
Deferred tax liability	8,206,834	309,195
	<b>134,990,078</b>	<b>120,011,670</b>
<b>Total Liabilities</b>	<b>292,284,402</b>	<b>271,042,539</b>
<b>Equity</b>		
Share capital	780,113	780,113
Revaluation reserve	44,568,540	48,870,401
Foreign currency translation reserve	(11,436,010)	561,878
(Accumulated losses) / Retained earnings	(28,084,878)	(21,087,268)
	<b>5,827,765</b>	<b>29,125,124</b>
<b>Total Liabilities and Equity</b>	<b>298,112,167</b>	<b>300,167,662</b>

*(in thousands of MNT)*

	2022.12.31	2021.12.31
<b>Revenue</b>	193,427,609	144,344,329
Cost of sales	(97,766,831)	(85,543,487)
<b>Gross profit</b>	<b>95,660,778</b>	<b>58,800,842</b>
Other income	1,162,425	853,608
Selling and marketing expenses	(61,767,484)	(60,568,067)
Administrative expenses	(14,138,399)	(14,636,714)
Reversal of impairment loss on financial assets	49,464	16,378
Other expenses	(13,355)	(78,409)
Finance income	29,261	2,974,646
Finance costs	(30,979,282)	(25,474,286)
<b>Profit / (loss) before taxation</b>	<b>(9,996,592)</b>	<b>(38,112,002)</b>
Income tax benefit (expense)	2,998,982	165,974
<b>Net profit / (loss) for the year</b>	<b>(6,997,610)</b>	<b>(37,946,028)</b>
<b>Items that will not be reclassified to profit or loss</b>		
Revaluation of property, plant and equipment	-	(104,435)
Tax impact on revaluation of property, plant and equipment	(4,301,861)	-
Exchange differences on translating the net assets of foreign subsidiaries	(11,997,888)	1,923,910
<b>Other comprehensive income for the year</b>	<b>(16,299,749)</b>	<b>1,819,475</b>
<b>Total comprehensive loss for the year</b>	<b>(23,297,359)</b>	<b>(36,126,553)</b>

**GOBI JSC AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY**
*(in thousands of MNT)*

	Share Capital	Revaluation surplus	Foreign currency translation reserve	Retained Earnings (Accumulated losses)	Total equity
<b>Balance as of 01 January 2021</b>	<b>780,113</b>	<b>48,974,836</b>	<b>(1,362,032)</b>	<b>16,858,760</b>	<b>65,251,677</b>
Net profit / (loss) for the year	-	-	-	(37,946,028)	<b>(37,946,028)</b>
Other comprehensive income	-	(104,435)	1,923,910	-	<b>1,819,475</b>
Declared dividend					
<b>Balance as of 31 December 2021</b>	<b>780,113</b>	<b>48,870,401</b>	<b>561,878</b>	<b>(21,087,268)</b>	<b>29,125,123</b>
Net profit / (loss) for the year				(6,997,610)	<b>(6,997,610)</b>
Other comprehensive income		(4,301,861)	(11,997,888)		<b>(16,299,749)</b>
Declared dividend					
<b>Balance as of 31 December 2022</b>	<b>780,113</b>	<b>44,568,540</b>	<b>(11,436,010)</b>	<b>(28,084,878)</b>	<b>5,827,764</b>

**GOBI JSC AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF CASH FLOWS***(in thousands of MNT)*

	<i>2022.12.31</i>	<i>2021.12.31</i>
Net cash flows (used in) / from operating activities	45,908,164	19,987,525
Net cash flows (used in) / from investing activities	(3,124,091)	(212,013)
Net cash flows (used in) / from financing activities	(26,140,862)	(30,108,651)
Increase/(decrease) in cash and cash equivalents	16,643,211	(10,333,139)
Exchange difference on translating foreign operations	(11,997,888)	1,923,910
Effects of exchange rate differences on cash and cash equivalents	117	(37)
<b>Cash and cash equivalents, at the beginning of the year</b>	<b>4,389,479</b>	<b>12,798,745</b>
<b>Cash and cash equivalents, at the end of the year</b>	<b>9,034,919</b>	<b>4,389,479</b>