



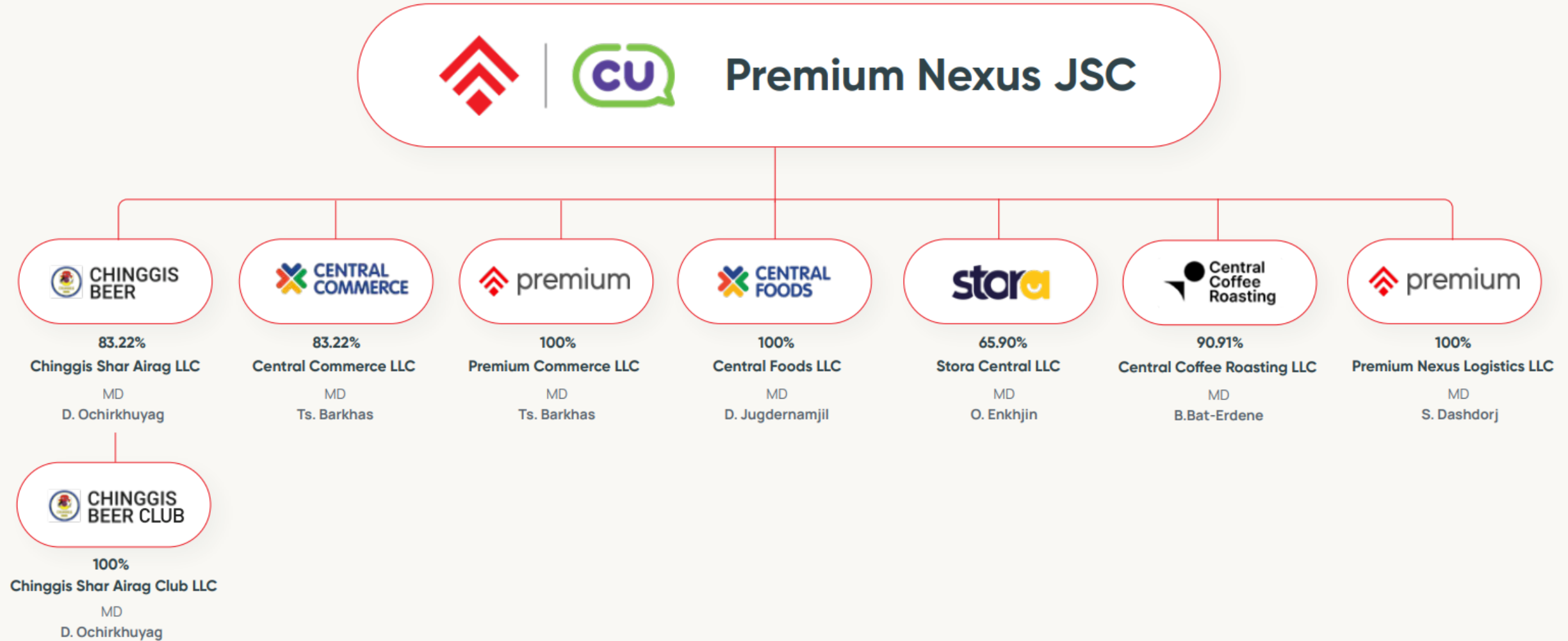
Earnings call: 2024Q4

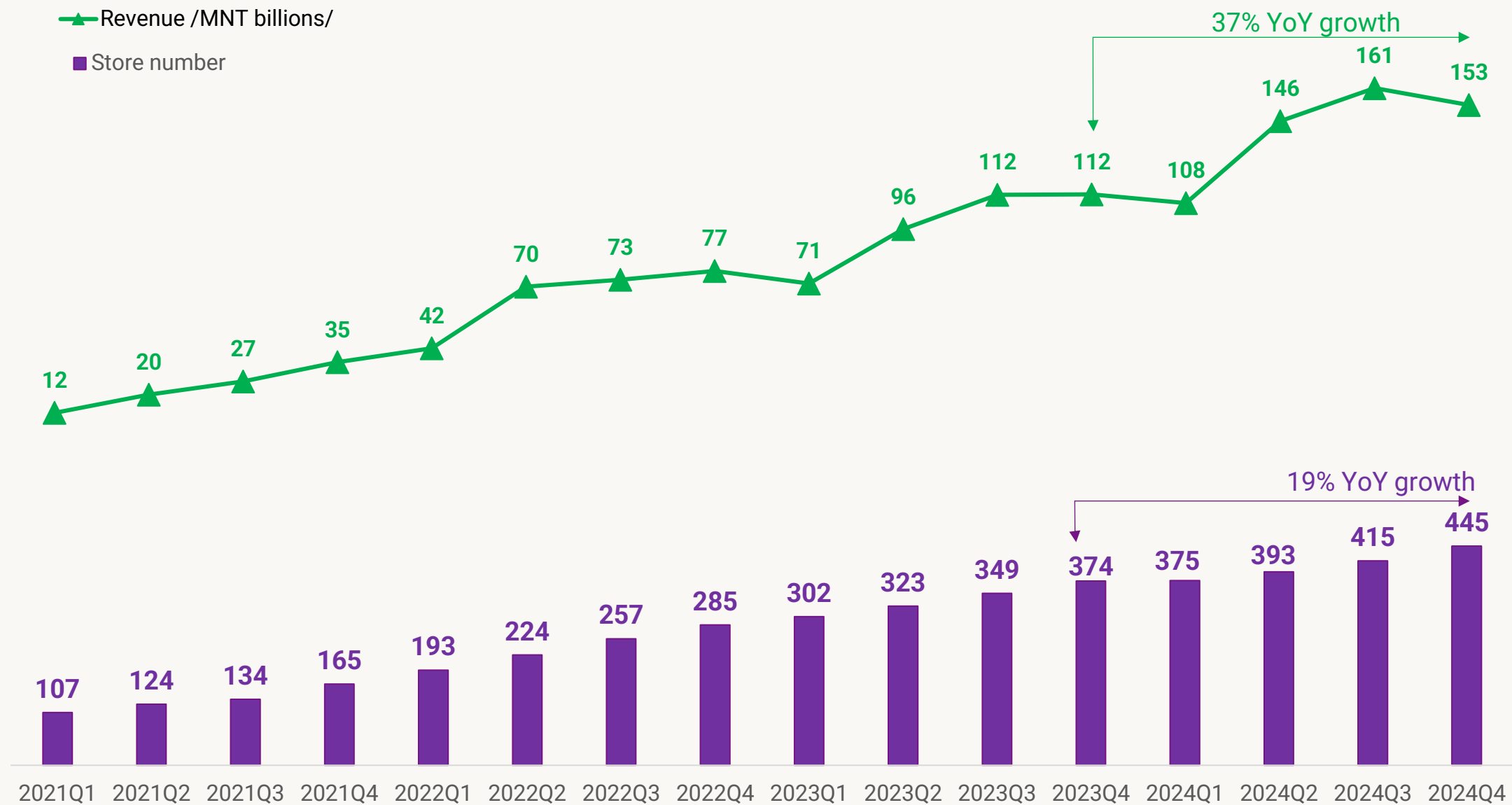
Premium Nexus JSC

MSE: CUMN

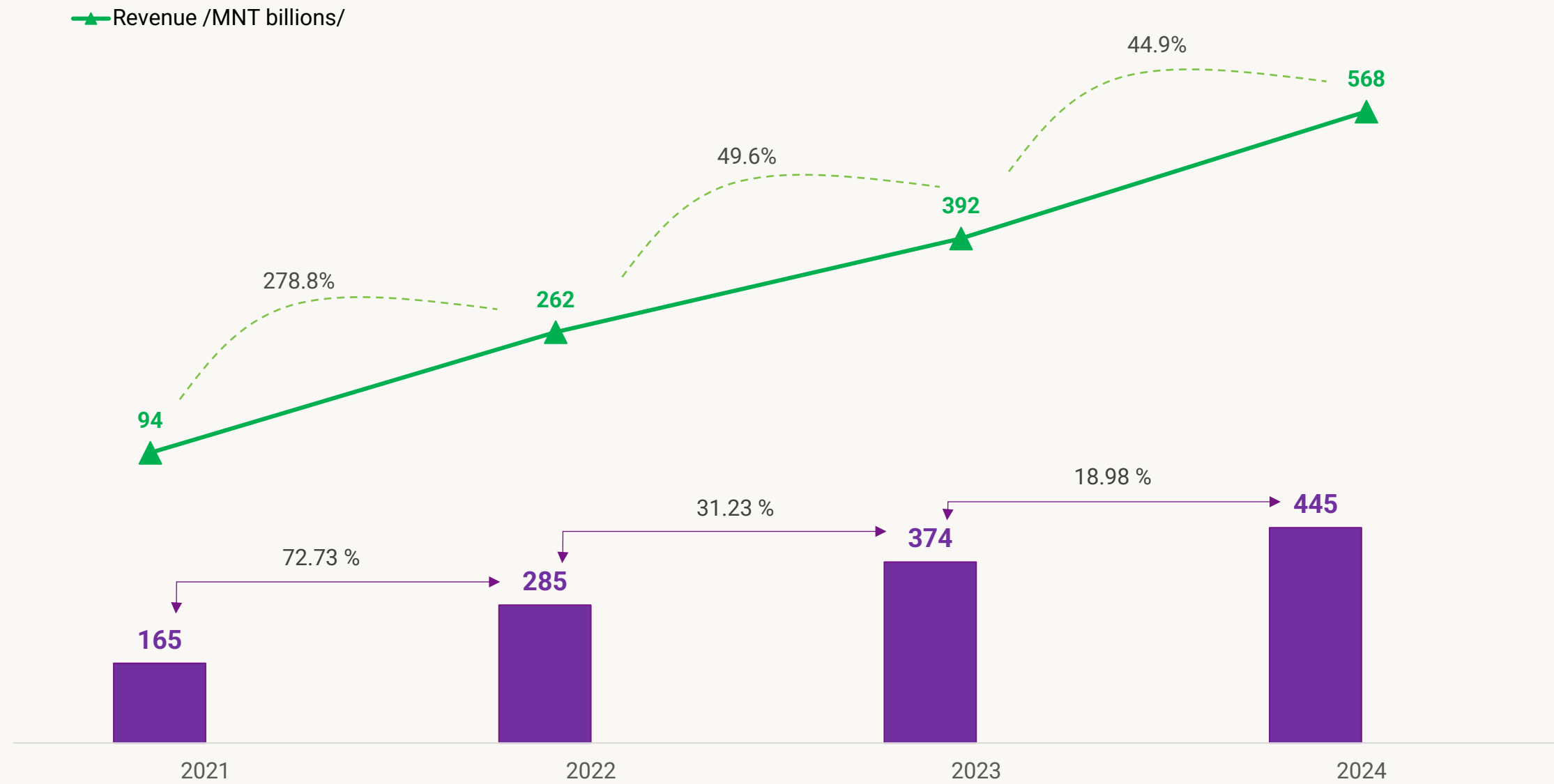
6th of March 2025

1. CU business comparable and total store performance
2. CU business strategic goals
3. Other subsidiaries
4. Premium Nexus JSC consolidated financial statements
 - a) Consolidated statement of PL and OCI
 - b) Consolidated statement of financial position
 - c) Consolidated statement of cash-flow
5. 2024Q3 share performance





CU Strategic goals (annual)



Comparable store performance

	2024 Q4
Daily average sales	25.2%
Daily number of costumers	9.6%
Basket price	14.2%

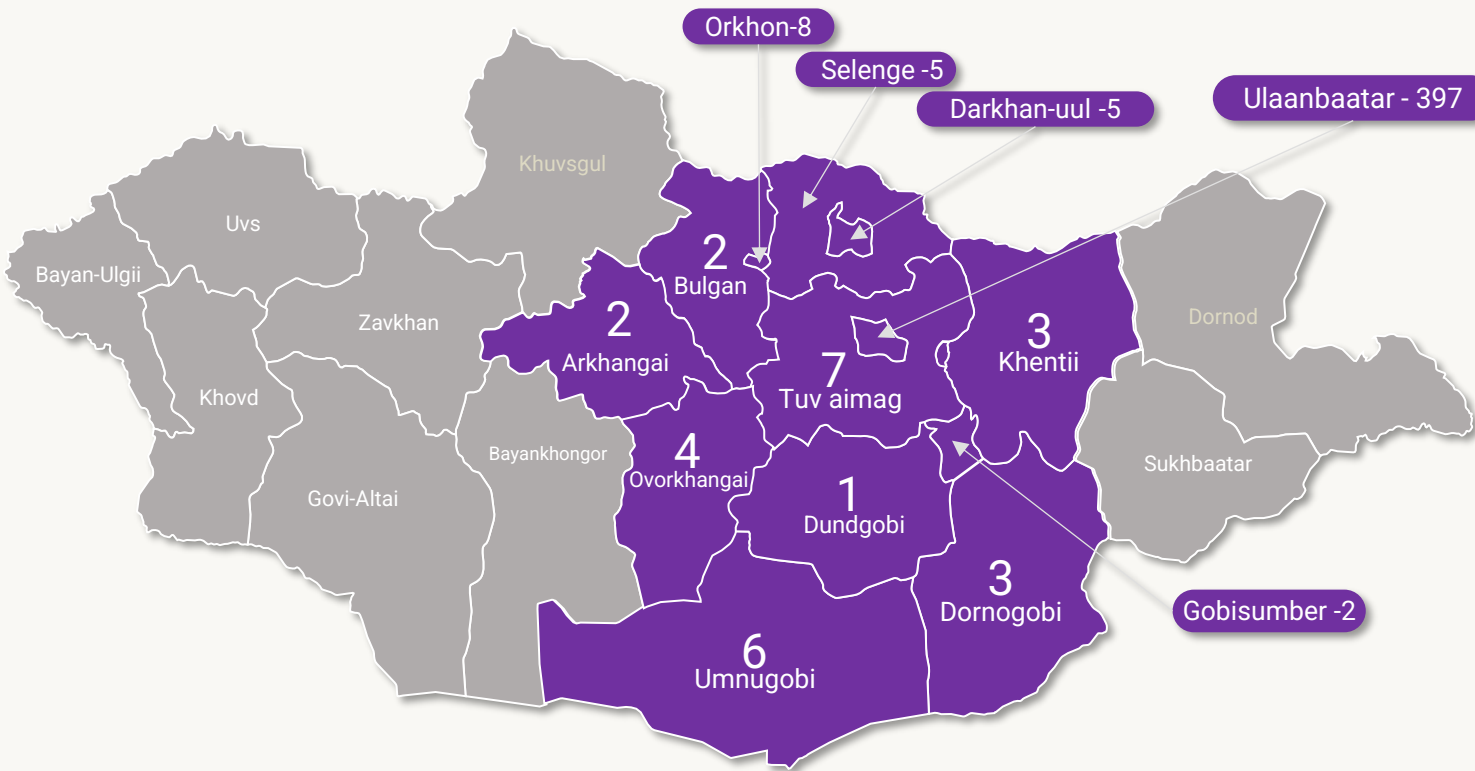
Comparable store number - 351

Total store performance

	2024 0H
Daily average sales	21.9%
Daily number of costumers	6.6%
Basket price	14.3%

Total store number : 374→ 445

As of 2024, annual inflation in Ulaanbaatar was 6.8%. During the same period, the average price of consumer baskets increased by 14%, indicating that the size of buyers' baskets has effectively grown by 7%.



Key Highlights

- Opened 81 new stores and closed 10, bringing the total to 445 stores.
- Operating 397 stores in Ulaanbaatar and 50 in rural areas.
- Expanded into 12 provinces with new store openings.

Market Share:

Store number	2023	2024
CU	374	445

Sales revenue with VAT (MNT)	2023	2024
CU	431 bln	648 bln



Nourishing Menu

The "Nourishing Menu" series, rich in vitamins and minerals beneficial for health, utilizes Mongolia's traditional five animal fats, offering options such as five-fat soup, dumplings, and steamed buns.



Seasonal products

We introduce special products tailored to the characteristics of each season in a timely manner. For example, during the spring and summer seasons, we offer items like rain umbrellas, fans, and shoe insoles. In contrast, for the winter and autumn seasons, we provide products such as hand warmers.



Balanced meal menu

We have successfully introduced light yet protein-rich European dishes and salads, making them accessible to consumers who value healthy and balanced nutrition.

Шинээр нэвтэрсэн онцлох бүтээгдэхүүнүүд



Home Meal Replacements

Frozen meal kits designed to save time and effort, tailored to fit the busy lifestyles of people.



Delicious soup series

Introducing the new "Delicious Soup" series, perfect for the cold and chilly seasons, ready to be heated and enjoyed instantly.



Skewered chicken

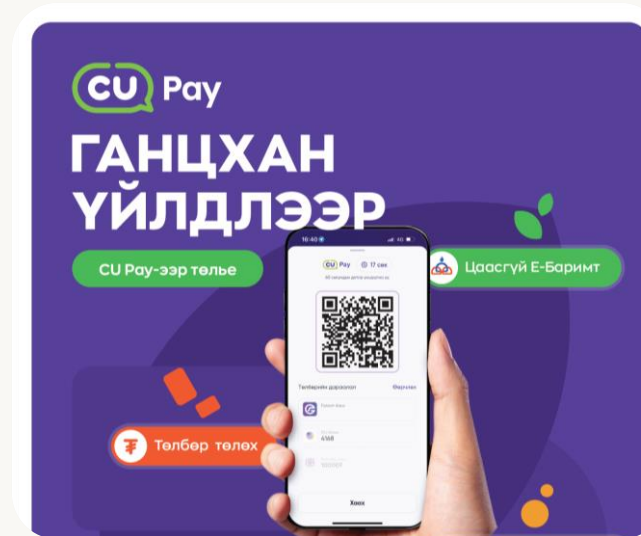
We have introduced fresh, fast, and tasty fried chicken and fries to expand consumer choices.

"CU APP" updates.



Credit card

Up to 300,000₮ credit service with no additional charges and interest



CU Pay

Payment, E-receipts and CU loyalty point collection, all-in-one



Loyalty market

Discounts available when using loyalty points for purchases



"Let's show it" initiative

We have implemented the "Let's show it" campaign to prevent the sale of age-restricted products such as electronic and traditional cigarettes, as well as alcoholic beverages, to minors by verifying identification documents before purchase.

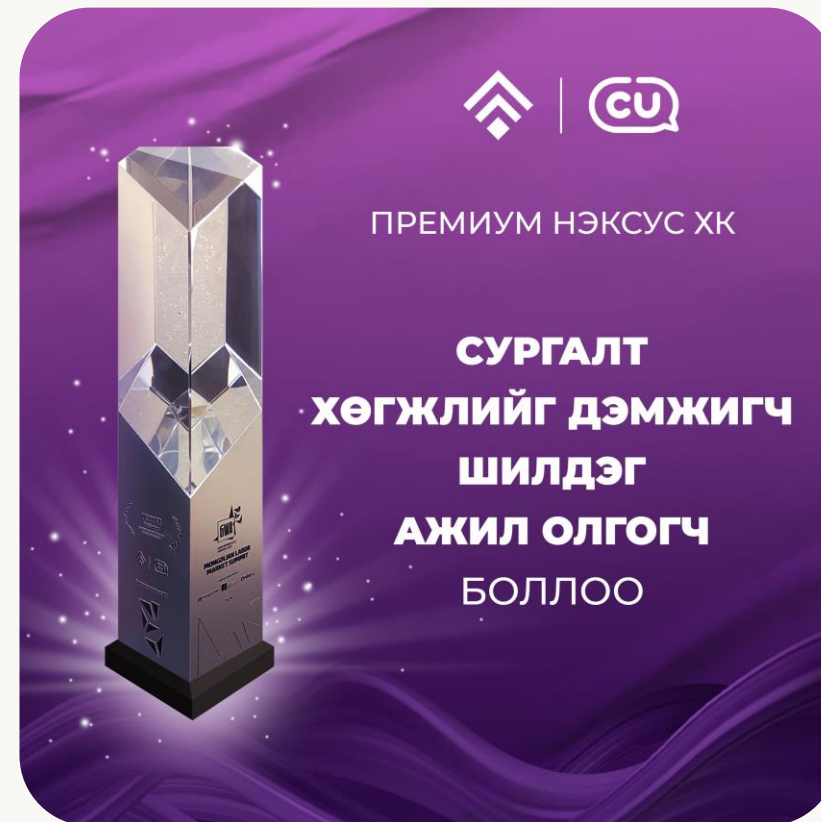


Culture starts with you

In collaboration with the General Police Department and GS25, we successfully implemented the "Culture Starts with You" campaign. This initiative aimed to elevate public etiquette and morality, encouraging a more polite and respectful society. The campaign reached a significant audience, impacting 65,278,300 people cumulatively, making it one of the largest campaigns of its kind.



Ranked higher in Mongolia's TOP 100 SMEs



"BEST TRAINING – BEST EMPLOYER AT SUPPORTING TRAINING AND DEVELOPMENT"



Central Foods LLC

CU's Food Production Center has received the following certificates of conforming compliance with international HACCP:

- MNS ISO 9001:2016
- MNS ISO 22000:2019
- MNS ISO 14001:2016
- MNS CAC RCP 1:2023
- MNS 4946:2019

CU became the first food production organization to certify a total of five standards.



2024.7

INTEGRATION

Starting from July 2024, Central Commerce Company has begun overseeing and organizing the sales, distribution, and marketing activities of Chinggis Premium Beer.



NEW PACKAGING

To enhance accessibility for consumers, Chinggis Premium Beer has successfully introduced a new 2-liter packaging to the market and has begun selling it at CU stores.



LOYALTY SYSTEM

The customer loyalty system project has been launched, and the first phase was successfully organized, rewarding customers with incentives.



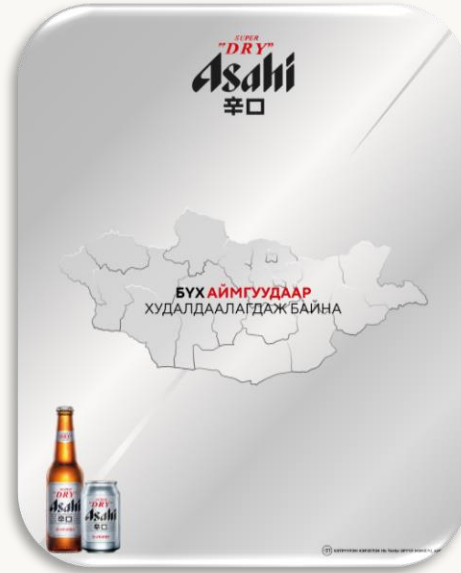
ON TRADE

In the Horeca market, draft beer is being consistently distributed, and as of 2024, the company has expanded its operations to a total of 344 clients.



**Asahi Super Dry
"Cherry blossom"**

The Cherry Blossom Limited Edition product has been introduced to the market.



MARKET EXPANSION

Asahi Super Dry officially began its sales in 21 provinces starting from May 2024.



**Asahi Super Dry
"Nama Jokki"**

Starting from November 2024, a new type of canned draft beer, incorporating modern innovations, has been introduced.



Asahi Super Dry Draught

Starting from November 2024, Asahi Super Dry draft beer has been launched in the market.



GREEN BEANS

New harvest green coffee beans are imported directly from their origin.



GERMAN TECHNOLOGY

Using world-class German technology, we roast and package our coffee locally in our homeland.



CU & HORECA

In addition to delivering to consumers through 445 CU branch stores, we have successfully entered the Horeca market and now have 86 clients.



COFFEE MACHINES

We offer customers the option to purchase or rent advanced coffee machines equipped with cutting-edge technology.



DISTRIBUTION CENTRE

The dry distribution center operates on a total area of 6,220 square meters with 140 employees, capable of preparing and fulfilling orders for 550 stores.



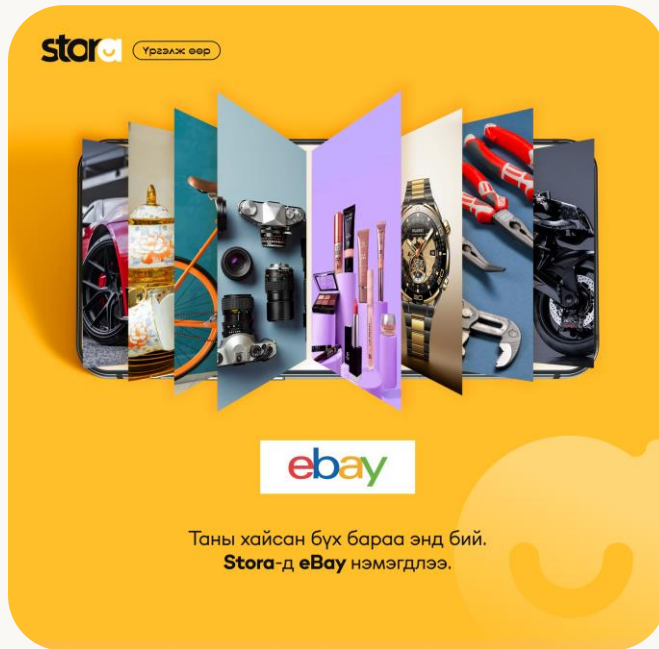
COLD-CHAIN STORAGE

The cold chain warehouse operates on a total area of 1,000 square meters with 84 employees, capable of preparing and fulfilling orders for 609 stores.



DISTRIBUTION & LOGISTICS SERVICES

The distribution centers have purchased 70 ISUZU-branded vehicles equipped with specialized conditions and equipment to transport prepared goods and products at designated temperatures. These 70 vehicles are capable of replacing over 100 transportation units previously operated by contractors.



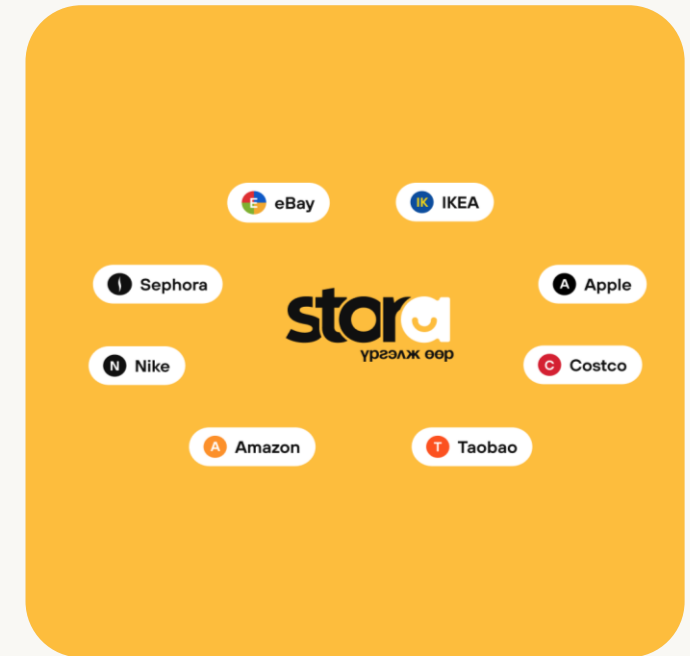
eBay

By integrating with eBay, one of the largest American online marketplaces, through technological solutions, we have created the opportunity to access over 1.7 billion diverse products available on the platform. eBay is particularly notable for offering unique items such as antiques, rare collectibles, car parts, technological products, and various collections that are hard to find elsewhere.



JD.com (Жингдунг)

We have officially signed an agreement with JD.com, a Fortune 500 company ranked 52nd and China's largest online retail, logistics, real estate, and innovation research company. This partnership allows Mongolian consumers to purchase non-food consumer goods available on JD.com through Stora.mn. As part of this collaboration, not only have the two platforms been integrated, but we have also established a transportation agreement with JD Logistics to deliver goods from every corner of China to Mongolia.



Stora V2.0

Celebrating its 3rd anniversary, Stora Central LLC has unveiled its fully revamped system, launching version V2.0. This updated version features a more user-friendly design, streamlined processes, and introduces six new stores tailored to meet customer demands. The update includes partnerships with global brands such as Ikea, Apple, Costco, Sephora, Nike, and Victoria's Secret, offering Mongolian consumers the opportunity to purchase products from these brands at transparent prices without hidden fees.



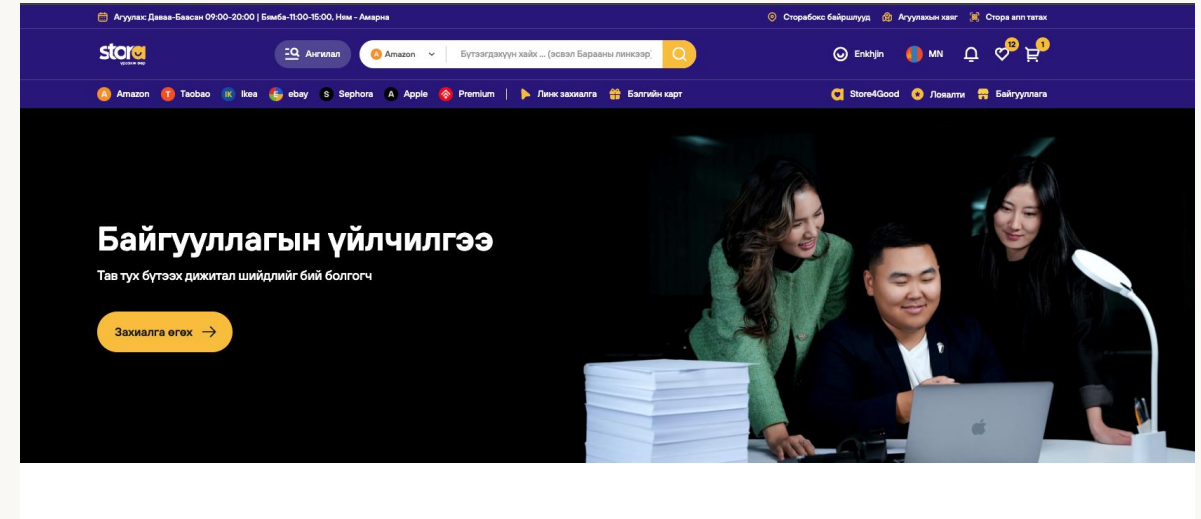
StoreForGood – Environment friendly choice

Stora Central LLC has initiated the "StoreForGood" project within the framework of the 17 Sustainable Development Goals. This project aims to reduce waste and extend the lifecycle of products by encouraging the exchange of items that are most frequently discarded, unnecessarily purchased, resource-intensive to produce, and harmful to the environment.

Through this project, utilizing the infrastructure of [stora.mn](#) and [storabox](#), people can exchange:

1. Books
2. Children's toys
3. Clothing

In the future, the range of exchangeable products will be expanded, promoting a new trend of exchanging unused items in an eco-friendly manner, thereby fostering sustainable consumption practices.



Office supply outsourcing service

To alleviate the challenges organizations face with various procurement needs, price comparisons, and research, we have introduced a comprehensive procurement service tailored for our corporate clients. This service enables organizations to order a wide range of products from the USA and China, including equipment, merchandise, specialty items, office furniture, electronics, stationery, and souvenirs, at more affordable prices and with greater selection.

The service encompasses a complete solution, including ordering, transportation, customs clearance, research, consultation, and price comparison.

Consolidated statement of PL and OCI

(MNT millions)	2022	2023	2024
Net sales revenue	261,018.9	390,496.6	598,378.7
COGS	248,057.7	367,483.9	487,852.9
Gross profit (loss)	12,961.2	23,012.7	110,525.7
Gross margin	5.0%	5.9%	18.5%
Operating expenses	9,395.0	13,234.6	28,352.1
EBITDA	3,566.2	9,778.1	82,173.7
EBITDA margin	1.4%	2.5%	13.7%
Depreciation & Amortization	18,021.4	27,436.1	32,898.4
Non-cash items	(489.5)	1,832.3	21,263.2
EBIT	(14,944.7)	(15,825.7)	70,538.5
Financing cost	11,146.9	17,506.5	19,062.9
EBT	(26,091.6)	(33,332.2)	51,475.7
Income tax	(407.2)	(625.9)	3,062.3
Net profit (loss)	(25,684.4)	(32,706.3)	48,413.4
Net profit margin	-9.8%	-8.4%	8.1%

IFRS 3 Business combination requires the accounting of **business combinations** using the acquisition method. It encompasses fundamental principles such as identifying the acquirer, valuing assets and liabilities at their fair value, and recording goodwill or a gain from bargain purchase.

Goodwill or Bargain purchase

- CONSIDERATION PAID > FAIR MARKET VALUE => GOODWILL
- CONSIDERATION PAID < FAIR MARKET VALUE => GAIN ON BARGAIN PURCHASE

Total assets and liabilities are recorded at their fair market value as of the acquisition date.

The **value of the brand** is determined using the Multi-Period Excess Earnings Method (MPEEM).

The valuation report was performed by MBVC Asset Valuation LLC, an independent valuation firm, which was further reviewed and verified by KPMG Audit LLC.

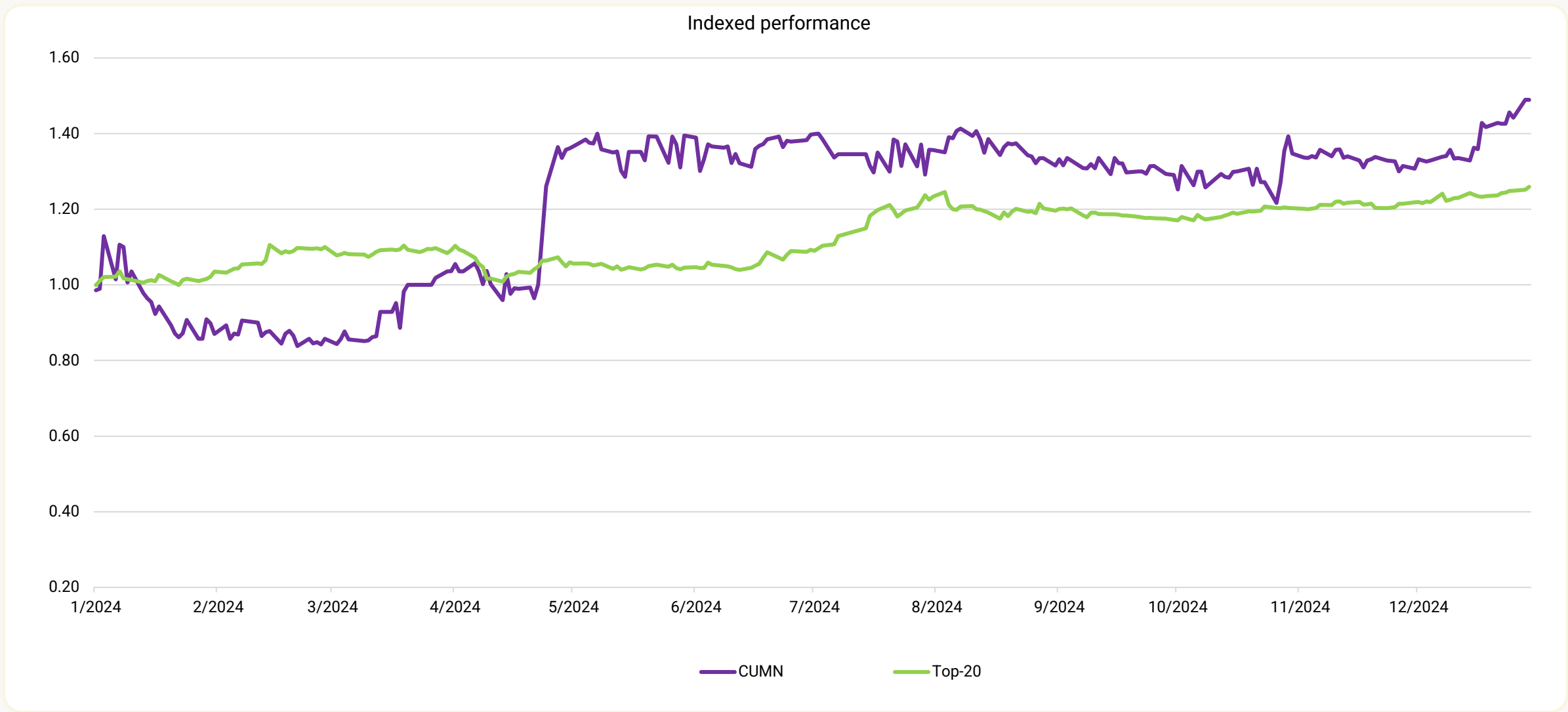
Net asset value	Book value at acquisition date	Fair value at acquisition date
Property, plant and equipment	5,782,145,426	17,939,506,858
Intangible asset (trade name)	-	32,219,617,785
Current assets and other non-current assets	3,834,090,984	3,834,090,984
Current liabilities	(3,637,764,421)	(3,637,764,421)
Net asset value	5,978,471,989	50,355,451,207
Consideration		21,510,000,000
Non-controlling interest		5,035,545,121
Consideration + NCI		26,545,545,121
Deferred tax on fair value increase		4,333,249,162
Gain on bargain purchase		19,476,656,924

Consolidated statement of financial position

(MNT millions)	2022	2023	2024
Total current assets	44,439.9	40,170.3	81,007.3
Cash and cash equivalents	4,280.7	2,980.6	10,431.5
Accounts receivables	432.7	641.3	6,042.3
Inventory	31,838.4	28,250.0	47,194.5
Other current assets	7,888.1	8,298.4	17,339.0
Total non-current assets	126,608.8	153,324.6	233,085.1
Tangible and Intangible assets	73,189.7	90,193.8	157,907.5
ROU assets	46,963.4	50,534.8	60,568.6
Other non-current assets	6,455.6	12,595.9	14,608.9
Total Assets	171,048.7	193,494.9	314,092.4
Total current liabilities	73,761.6	116,172.9	116,553.0
Accounts payables	40,714.3	42,916.4	57,119.4
Current loans and borrowings	17,290.8	19,969.9	25,360.3
Other current liabilities	15,756.5	53,286.5	34,073.3
Non-current liabilities	78,849.4	91,590.7	93,739.7
Non-current loans and borrowings	28,197.7	33,999.8	23,911.7
Other non-current liabilities	50,651.7	57,590.9	69,828.0
Total equity	18,437.6	(14,268.7)	103,799.7
Common shares	81,776.9	81,776.9	111,425.2
Share premium	13,820.5	13,820.5	45,757.9
Other parts of equity	318.7	318.7	8,388.0
Retained earnings	(77,478.5)	(110,184.8)	(61,771.4)
Total Equity and Liabilities	171,048.7	193,494.9	314,092.4

Consolidated statement of cash-flow

(MNT millions)	2022	2023	2024
Cash flows from operating activities			
Cash inflow (+)	291,091.9	429,705.3	698,620.5
Cash outflow (-)	(299,491.7)	(427,286.4)	(637,707.0)
Net cash from/(used in) operating activities	(8,399.8)	2,418.9	60,913.5
Cash flows from investing activities			
Cash inflow (+)	17,170.6	109.2	3,152.3
Cash outflow (-)	(30,915.5)	(33,646.3)	(40,723.4)
Net cash used in investing activities	(13,744.9)	(33,537.1)	(37,571.1)
Cash flows from financing activities			
Cash inflow (+)	42,842.0	33,906.6	70,712.9
Cash outflow (-)	(20,204.2)	(31,903.1)	(86,473.0)
Related party transactions (+/-)	-	27,920.7	-
Net cash from/(used in) financing activities	22,637.8	29,924.2	(15,760.1)
Cash and cash equivalents foreign exchange difference	(273.6)	(106.0)	(131.2)
Net increase/(decrease in cash and cash equivalents)	219.6	(1,300.1)	7,450.9
Cash and cash equivalents beginning balance	4,061.2	4,280.7	2,980.6
Cash and cash equivalents ending balance	4,280.7	2,980.6	10,431.5





FINANCIAL PROJECTIONS

Statement of Profit or Loss (MNT billion)	2021F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F
Revenue	89	238	390	475	518	561	595	631	669	709
Cost of sales	(95)	(230)	(357)	(424)	(450)	(476)	(503)	(531)	(560)	(591)
Gross profit, loss	(6)	8	33	51	68	86	92	100	109	118
General, administrative and selling expenses	(7)	(10)	(11)	(11)	(12)	(12)	(13)	(13)	(14)	(14)
Operating profit, loss	(13)	(2)	22	40	57	74	80	87	96	104
Net finance expenses	(2)	(2)	(2)	(2)	(2)	(1)	(1)	(0)	-	-
Interest expense on lease liability	(5)	(9)	(12)	(14)	(13)	(12)	(12)	(10)	(8)	(8)
Profit, loss before income tax	(20)	(12)	10	26	44	62	68	77	87	96
Income tax expense	(0)	-	(1)	(3)	(7)	(14)	(16)	(17)	(19)	(21)
Profit, loss after tax	(20)	(12)	8	22	35	47	52	59	68	76

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Article 47. Conditions for dividends

47.1 A company shall distribute dividends on common shares under the following conditions:

47.1.1 The company remains solvent after paying dividends;

47.1.2 After paying dividends, the company's equity must exceed the total of the subscribed capital specified in Article 30.5 of this law, unpaid dividends on preferred shares, and their redemption value;

47.1.3 The company has fully repurchased any securities it is obligated to buy back.

47.2 The company shall not distribute dividends on its repurchased shares.

47.3 A company shall distribute dividends on preferred shares under the following conditions:

47.3.1 The company remains solvent after paying dividends;

47.3.2 The company has fully repurchased any preferred shares it is obligated to buy back.

47.4 If the company's equity decreases by more than 25% after paying dividends, the company must notify its creditors of the remaining equity balance in writing or electronically within 15 business days from the date of dividend distribution.

БАНК

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For contacts:
IR manager Ts. Nomuundalai
Email: investor@cumongol.mn

Thank you!