

APU COMPANY

Absolute. Pure. Unique.

APU JSC ANNUAL
GENERAL SHAREHOLDERS'
MEETING BROCHURE

2022

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AGENDA

The annual general meeting will be held between 14:00 and 16:30 on 29 April 2022.

	Agenda items	Resolutions	Duration	Responsibility
1	Registration		13:00-13:59	Organizing committee and Counting committee
2	Compilation and presentation of registration results	Counting committee resolution	14:00-14:05	Counting committee
3	Organizational matters and opening by the meeting chairperson		14:05-14:15	Board secretary Ariunsan
4	Presentation of 2021 operational and financial report of APU JSC		14:15-14:45	Chairperson Erdenebileg
5	Presentation of the Board of Directors' conclusion on the report above, and the Board of Directors' work report	Shareholders' meeting resolution	14:45-14:55	Board secretary Ariunsan
6	Questions and answers		14:55-15:05	
7	Early termination of the authority of the Board of Directors of APU JSC	Shareholders' meeting resolution	15:05-15:10	Board secretary Ariunsan
8	Questions and answers		15:10-15:20	
9	Introduction of the Board candidates	Shareholders' meeting resolution	15:20-15:30	Board secretary Ariunsan
10	Questions and answers		15:30-15:40	
11	Instruction about voting procedures		15:40-15:50	Counting committee
12	Voting		15:50-16:00	
13	Counting of votes		16:00-16:15	Counting committee
14	Report on voting results to meeting attendees	Counting committee resolution	16:15-16:25	Counting committee
15	Closing		16:25-16:30	Chairperson Erdenebileg

AGENDA ITEMS

1. To approve the conclusion drawn by the Board of Directors on the 2021 operational and financial report of APU JSC;
2. To terminate the authority of the Company's Board before the end of term;
3. To elect 9 directors to serve on the Board of Directors of the Company by cumulative method.

Meeting organizing committee

Names	Tel	Email	Website
1 Ariunsan Ch.		ariunsan.ch@apu.mn	
2 Myagmar B.	344336-338	myagmar.b@apu.mn	www.apu.mn
3 Solongo E.		solongo.e@apu.mn	
4 Erdenetuya B.		erdenetuya.b@apu.mn	

Address: APU Headquarters, Chinggis avenue, 2nd khoroo, Khan-Uul district, Ulaanbaatar

Tel: 344336-338

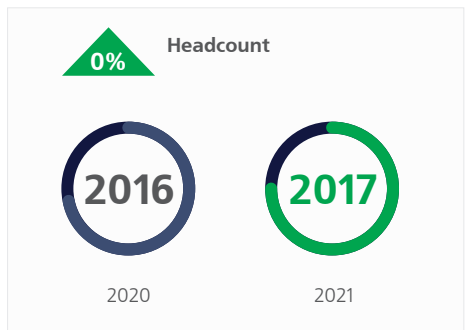
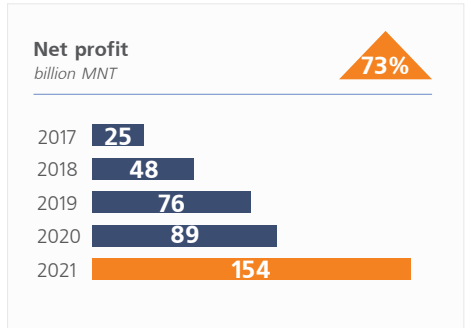
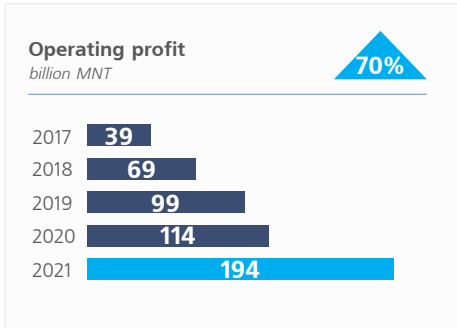
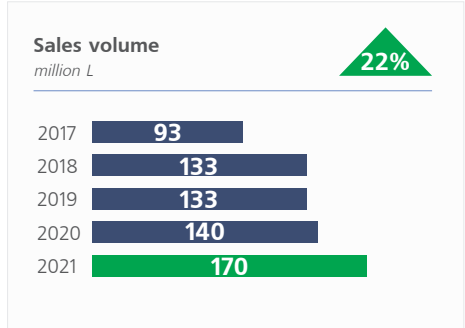
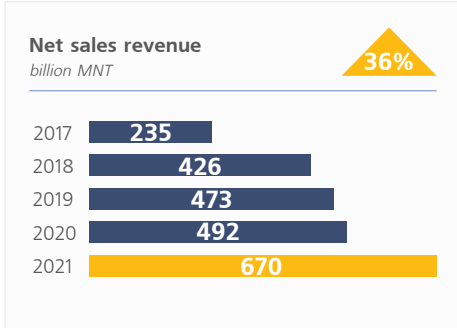
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AGENDA ITEM NO. 1

To approve the conclusion drawn by the Board of Directors on the 2021 operational and financial report of APU JSC

OPERATIONAL SUMMARY



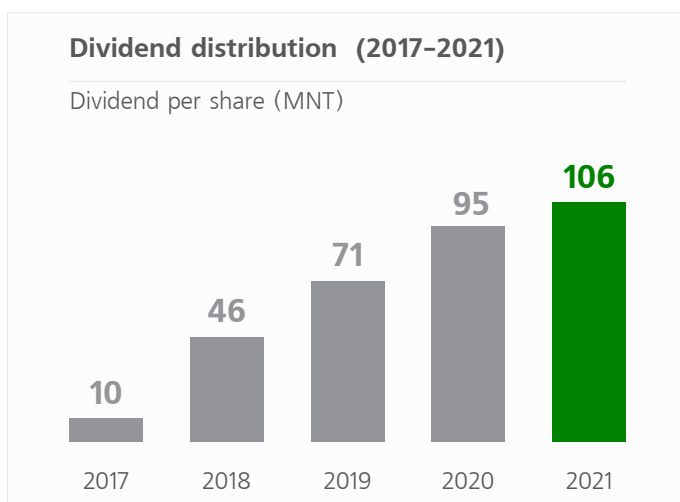
FINANCIAL SUMMARY

		Unaudited consolidated financial statement 2021	Audited consolidated financial statements 2020	Growth %
SALES VOLUME	thousand L	170,210	139,650	21.9%
PROFIT & LOSS				
Net sales revenue	million MNT	669,724	492,337	36.0%
Operating profit	million MNT	194,410	114,443	69.9%
Net profit	million MNT	153,528	88,743	73.0%
BALANCE SHEET				
Current assets	million MNT	252,092	204,585	23.2%
Non-current assets	million MNT	365,237	351,078	4.0%
Total assets	million MNT	617,329	555,663	11.1%
Total liabilities	million MNT	112,536	94,048	19.7%
Total shareholders' equity	million MNT	504,793	461,616	9.4%
Total shareholders' equity and liabilities	million MNT	617,329	555,663	11.1%
CASH FLOW				
Net cash flow from operating activities	million MNT	186,468	144,374	29.2%
Net cash flow from investing activities	million MNT	(67,713)	(35,390)	91.3%
Net cash flow from financing activities	million MNT	(105,536)	(94,959)	11.1%
Total net cash flow	million MNT	13,219	14,024	-5.7%
Opening balance of cash and cash equivalents	million MNT	64,059	50,035	28.0%
Closing balance of cash and cash equivalents	million MNT	77,278	64,059	20.6%
TATBAP TØLØJT				
Excise tax	million MNT	211,313	166,882	26.6%
VAT	million MNT	69,359	48,065	44.3%
Other	million MNT	84,338	49,967	68.8%
Total tax payment	million MNT	365,010	264,914	37.8%
CAPEX				
Total CAPEX	million MNT	69,151	46,808	47.7%

DIVIDEND DISTRIBUTION

The Board of Directors (the “Board”) of APU JSC (the “Company”) resolved to pay an annual total dividend of MNT 106 per share for 2021.

Applicable period	Dividend declaration date	Dividend per share	Record date	Payment deadline	Date of dividend payment through the Central Securities Depository
2021 H1	2021.08.16	MNT 46	2021.09.03	2022.02.10	2021.11.09
2021 H2	2021.02.17	MNT 60	2022.04.08	2022.12.31	-
TOTAL		MNT 106			



BOARD WORK REPORT

The Board adopted 40 resolutions by its 9 meetings held either in person or by circulation in the exercise of the powers, authority and responsibilities of the Board of APU JSC and the shareholder of APU JSC's subsidiaries and associate companies.

The Audit committee met 2 times and each of the Nomination and Remuneration committees met once to pass recommendation, conclusion or decision within their respective functions.

BOARD CONCLUSION

"APU Group has shown a strong performance in 2021 achieving all of its planned objectives."

AGENDA ITEM NO. 2

EARLY TERMINATION OF THE AUTHORITY OF THE BOARD OF DIRECTORS OF APU JSC

Requirement to change the composition of the Board of Directors:

As independent director Batbayar Ulziidelger requested to resign from his role, the Board has appointed Odbayar Odonchimed as a temporary replacement director on 01 November 2021 until the next election (shareholders' meeting).

Pursuant to clause 77.3 of Article 77 of the Company law of Mongolia, when composition of a Board of Directors elected by cumulative method needs to be changed, the authority of all directors shall be terminated before the expiration of its term and a new Board shall be elected.

AGENDA ITEM NO. 3

ELECTION OF 9 DIRECTORS TO SERVE ON THE BOARD OF DIRECTORS OF APU JSC BY CUMULATIVE METHOD

By its decision number 22/01 dated 10 March 2022, the Nomination committee of the Board has proposed the following Board candidates to the annual general meeting of shareholders.

АПУ ХК-ийн Төлөөлөн Удирдах Зөвлөлийн Дэргэдэх НЭР ДЭВШҮҮЛЭХ ХОРООНЫ ШИЙДВЭР

2022 оны 3-р сарын 10

Дугаар 22/01

Улаанбаатар хот

ТӨЛӨӨЛӨН УДИРДАХ ЗӨВЛӨЛД НЭР ДЭВШҮҮЛЭХ ТУХАЙ

Монгол Улсын Компанийн тухай хуулийн 77 дугаар зүйлийн 77.3, 81 дүгээр зүйлийн 81.5.2, 81.5.3, АПУ ХК-ийн Төлөөлөн удирдах зөвлөл (цаашид "ТУЗ" гэх)-ийн дэргэдэх Нэр дэвшүүлэх хорооны дүрмийг үндэслэн ШИЙДВЭРЛЭХ нь:

1. АПУ ХК-ийн ТУЗ-ийн бүрэлдэхүүнд дараах нэр дэвшигчдийг 2022 оны Хувьцаа эзэмшигчдийн ээлжит хуралд нэр дэвшүүлсүгэй:

Ердийн гишүүн

1. П.Батсайхан
2. Б.Батбаяр
3. С.Б.Громов
4. Кеннет Чу
5. Сэн И-Ин
6. Том Холланд
7. Д.Миеэгомбо

Хараат бус гишүүн

1. Ё.Гэрэлчулуун
2. О.Одбаяр
3. Ж.Үнэнбат

ШИЙДВЭРЛЭСЭН:

П.Батсайхан
Хорооны дарга



О.Одбаяр
Хорооны гишүүн



Ё.Гэрэлчулуун
Хорооны гишүүн



BOARD CANDIDATES

Candidates for non-executive nominee directors:



BATSAIKHAN Purev

Education: Engineering, Management
1993-1996: CEO, Shunkhlai LLC
1997-2008: CEO, Shunkhlai Group LLC
2002-2004: Chairman of Board of Directors, APU JSC
2004-2008: CEO, APU JSC
2008-Present: President, Shunkhlai Group LLC and Chairman of Board of Directors, APU JSC
2010-Present: Chairman and member of Board of Directors, Skytel



BATBAYAR Burentogtog

Education: Economics, Finance
1994-1996: Lecturer at the School of Economics, NUM
1999-2001: Commercial Banking Consultant, Economic Policy Support Project
2002-2012: Senior Banker, European Bank for Reconstruction and Development
2012-Present: Chief Financial Officer, Shunkhlai Group LLC
2013-Present: Director, APU JSC



Sergey Gromov

Education: Engineering, Management
1992-1994: Manager, "Raznoimport" LLC of Russia
1994-2000: London Branch Manager, "Trans-World Aluminum" Company
2001-2016: Chairman of Board of Directors, Chingjis Khaan Bank
2006-Present: Chairman of the Board of Directors, Mongol Daatgal Insurance Company
2013-Present: Director, APU JSC



MIYEGOMBO Dorj

Education: Law
2001-2003: Assistant and Associate Lecturer, School of Law, NUM
2003-2011: Lawyer and Senior lawyer, Shunkhlai Group LLC
2013-2014: CEO, Mongolian National Petroleum & Gas Association
2014-2015: CEO, Professional Association of Petroleum Importers
2013-Present: Advisor, Yos LLP



Kenneth Choo

Education: Accounting (CA), Management
1992-1994: Senior Auditor, PWC
1997-2003: Regional Director/Senior VP, Royal Ahold/CRC Ahold company
2003-2012: Business Development Director, Heineken
2013-2015: Director/Senior Director/Regional Director, Heineken (APB, Singapore, Indochina, Exports)
2015-Present: Managing Director, Heineken Asia Pacific
2018-Present: Director, APU JSC



Seng Yi-Ying

Education: Law
1998-1999: Legal Counsel, Sembcorp Utilities Pte Ltd
1999-2000: Senior Officer, Legal Section, United Overseas Bank Ltd
2000-2001: Regional Business/Legal Manager, Lycos Asia Pte Ltd
2002-2006: Assistant Manager, Sembcorp Utilities Pte Ltd
2006-2020: Heineken Group:
2006-2015: Senior Manager, Heineken Asia Pacific Pte Ltd
2015-2019: Legal Director, APB (Singapore) Pte Ltd
2019-2020: Legal Manager, Heineken Asia Pacific Pte Ltd
2020-Present: Director Legal, APAC, Heineken Asia Pacific Pte Ltd
2020-Present: Director, APU JSC



Thomas Holland

Education: Government/International Relations, Investment
1995-2000: Associate, Asia Strategic Planning, JP Morgan
2000-2002: Chief Operating Officer, Asiabondportal.com
2002-2006: Senior Investment Manager & Responsible Officer, Income Partners Asset Management
2006-2014: Managing Partner and Responsible Officer – Asia/Head of Asia, Cube Capital
2014-2017: Consultant, Asia Debt Management
2017-Present: Chief Investment Officer & CEO, Development Finance Asia
2019-Present: Director, APU JSC

Candidates for non-executive independent directors:



Gerelchuluun Yondon-Oidov

Education: Economics
1981-1989: Professor, NUM
1989-1991: Advisor, Council of Ministers
1991-1993: Secretary General, State Privatization Commission
1993-1996: Director, Factory Redevelopment Centre
1996-2000: Member of Parliament
2006-2008: Senior consultant to Deputy Prime Minister
2010-2012: MD, Office of the President of Mongolia
2012-2016: MD, Office of the Ulaanbaatar city Mayor
2017-Present: Independent Director, APU JSC



Odbayar Odonchimed

Education: Education, Law
1988-1992: Lecturer, Mongolian State Pedagogical University
1998-2000: Director, Mongolia-China joint state-owned enterprise CMH
2002-2004: Representative in Beijing, PRC, MIAT JSC
2005-2010: Attaché and 3rd secretary, Embassy of Mongolia to PRC
2010-2012: Advisor to the Prime Minister of Mongolia
2012-2016: CEO, Chingis Khan Hotel Complex LLC and Vice president, Altai Holding LLC
2016-2020: Board member, Badrakh Energy LLC
2016-2019: Vice director of Strategy, Erdenes Mongol LLC
2016-2020: Board member, Gashuun Sukhait Autozam LLC
2016-2020: Chairman of the Board, Shivee Ovoo LLC
2012-Present: Board member, Ard daatgal LLC
2012-Present: Board member, Ard Holding LLC
2017-Present: Board member, Mongol Shuudan JSC
2021-present: Independent director, APU JSC



Unenbat Jigjid

Education: Economics
1990-2000: Economist, Department Head and Governor of Mongolbank
1996-2000: Representative of Asian Development Bank to Mongolia
2000-2006: CEO, Mongolian Bankers' Association
2009-2015: CEO, Corporate Governance Development Center
2015-Present: CEO and Secretary of Mongolian Bankers' Association
2013-Present: Independent Director, APU company

BALLOT FORM

Annex 2 to the Resolution No. 22/05 of
the Board of Directors of APU JSC,
dated 18 March 2022

APU JSC ANNUAL GENERAL MEETING OF SHAREHOLDERS 2022 BALLOT No.1

Full name of the shareholder: _____

Registration number: _____

Type of shares: ordinary

Number of shares: _____

This ballot will be used for voting at the annual general meeting to be held at Concert Hall, 4th floor, the Corporate Hotel and Convention Center, Mahatma Gandhi Street 39, Khoroo 15, Khan-Uul district, Ulaanbaatar city, Mongolia on 29 April 2022 commencing at 14:00.

	Proposed resolutions to be adopted by the meeting	For	Against	Abstain	Suggestion if voted against
1	To approve the conclusion drawn by the Board of Directors on the 2021 operational and financial report of APU JSC				
2	To terminate the authority of APU JSC Board of Directors before the end of term				

Instructions:

1. To fill in the ballot paper, please vote by marking (√) in the box that you chose.
2. Ballots will be deemed invalid if corrected or erased.
3. If you are unable to attend the meeting in person, you can vote by filling in the ballot at your broker company after reviewing the meeting documents.
4. If you intend to appoint someone to represent yourself, please provide your representative with a notarized power of attorney.

Filled in by: Shareholder _____ (signature)

Broker /if voted through broker company/ _____ (signature and stamp)

Date of voting: ____ (dd) ____ (mm) 2022

The ballot has been counted as valid by:

Head of the Tabulation Commission _____ (B.Onon)

If deemed invalid, the reason for such decision:

**APU JSC ANNUAL GENERAL MEETING OF SHAREHOLDERS 2022
BALLOT No.2**

Full name of the shareholder: _____
Registration number: _____
Type of shares: ordinary
Number of shares held by the shareholder: _____
Number of votes to cast by cumulative voting method: _____
Number of votes to cast by cumulative voting method:

This ballot will be used for voting during the annual general meeting to be held at Concert Hall, 4th floor, the Corporate Hotel and Convention Center, Mahatma Gandhi Street 39, Khoroo 15, Khan-Uul district, Ulaanbaatar city, Mongolia on 29 April 2022 commencing at 14:00.

Candidates for nominee directors	Number of votes for the candidate
1. Batsaikhan Purev	
2. Batbayar Burentogtokh	
3. Sergey Gromov	
4. Kenneth Choo	
5. Seng Yi-Ying	
6. Thomas Holland	
7. Miyegombo Dorj	

Candidates for independent directors	Number of votes for the candidate
1. Yo.Gerelchuluun	
2. O.Odbayar	
3. J.Unenbat	

Instructions:

1. You can cast any number of votes for your chosen candidates, but the total number of votes cast cannot be more than the total number of votes to cast by cumulative voting method. If the total number of votes exceeded, your ballot will be deemed invalid.
2. Ballots will be deemed invalid if corrected or erased.
3. If you are unable to attend the meeting in person, you can vote by filling in the ballot at your broker company after reviewing the meeting documents.
4. If you intend to appoint someone to represent yourself, please provide your representative with a notarized power of attorney.

Filled in by: Shareholder _____ (signature)

Broker /if voted through broker company/ _____ (signature and stamp)

Date of voting: ____ (dd) ____ (mm) 2022

The ballot has been counted as valid by:

Head of the Tabulation Commission _____ (B.Onon)

If deemed invalid, the reason for such decision:

DRAFT RESOLUTION TO BE ADOPTED BY THE SHAREHOLDERS' MEETING

APPROVAL OF THE AGENDA ITEMS DISCUSSED

Based on the minutes of the APU JSC's Annual General Meeting dated 29 April 2022 and the decision of the Counting Commission, it is hereby RESOLVED to:

1. Approve the following conclusion drawn by the Board of Directors on the 2021 operational and financial report of APU JSC:
 - 1.1 APU Group has shown a strong performance in 2021 achieving all of its planned objectives.
2. To terminate the authority of the Board before the end of its term; and
3. To elect the following persons as directors of APU JSC for the term of 3 years:

Ordinary directors:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

Independent directors:

- 1.
- 2.
- 3.

CHAIRPERSON OF THE MEETING

ERDENEBILEG Ts.

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