Mongolia Growth Group Ltd., Q4 2022 MD&A

Year ending December 31, 2022

MONGOLIA GROWTH GROUP LTD

TO THE SHAREHOLDERS OF MGG,

The fourth quarter of 2022 continued upon our prior successes in terms of stabilizing our business and preparing this company for the next steps in this adventure that you've all joined us for. Key to this is that we've continued to have positive operating income, before changes in property valuations and our public securities portfolio. Following a period of heightened legal, tax, and consulting expenditures, we anticipate that our overall spending levels will decline, which should aid in this profitability. Most importantly, we have continued to maintain and grow a very healthy and increasingly liquid capital base from which to reinvest for the future.

Based on current subscriber trends at KEDM, we believe that our company will show positive operating income going forward (excluding one-time expenses).

We now segregate our business lines into three categories (Investment Properties, Subscription Business Products, and Corporate Division, which includes our investment portfolio).

Investment Properties:

It continued to be a difficult year for our Mongolian property operations. During the year we reported $798,826 (2021- $679,091) of leasing revenue and $100,572 (2021 - $190,850) of other revenue (primarily 3rd party), offset by $757,220 (2021- $759,100) of expenses in Mongolia. Unfortunately, we have zero visibility into the future trajectory of the economic crisis in Mongolia.

Subscription Business Products:

During the year, KEDM, our subscription data business, which tracks various Event-Driven strategies, recognized $3,174,031 of revenue while taking in $3,685,713 of gross subscription receipts, representing a 236% revenue growth when compared to the previous year which began earning revenue in July 2021. As noted in the prior quarter, we have now begun to experience an increase in overall subscriber churn. This level of elevated churn has continued into 2023. We believe this churn is tied to a volatile investing environment where overall research budgets have been reduced amongst our subscribers. Additionally, we have seen a decline in new subscribers—somewhat offset by the increase in pricing that we initiated during the prior year. However, we believe that we erred in raising subscription pricing to a level that turned out to be unaffordable to some subscribers. Our goal is to continue to offer the maximum value to subscribers, while regularly reviewing our pricing methodology in order to maximize the revenue of a business that has elevated fixed costs.

Despite these challenges, recognized revenue continued to increase during the year and has continued to increase into the fourth quarter, though the overall subscriber count has stayed relatively constant. As of the date of this letter, we have taken in over $6 million in gross subscription proceeds.

Having spoken with many financial publishing insiders, we believe that KEDM has now reached a more mature state and current revenue levels are unlikely to increase at a rapid pace from here, as new subscribers are likely to be offset by churn from existing subscribers. Despite this fact, we intend to continue to focus on new marketing approaches to grow the subscriber count.

Given the success to date of KEDM, we believe that there are ancillary services that we can launch and monetize, providing further value to KEDM subscribers. These services will likely be a cost center as they are conceived and grown before eventual monetization. To learn more about KEDM, go to www.KEDM.COM. Additionally, the company is considering acquiring other subscription products that would be complementary to KEDM.

Corporate Division:

Our public securities portfolio produced a $1,031,997 unrealized gain and a $8,792,881 realized gain during the year. I would like to caution you strongly that returns, as we have recently experienced, are highly unlikely to be repeated in future quarters and are likely to be rather volatile given our elevated exposure to oil futures call spreads, which have appreciated substantially since we acquired them. Our portfolio is currently concentrated in investments in oil futures and futures options (including fully offsetting futures call option spreads), an oil ETF, energy services companies, uranium, and the housing sector. We view these investments as highly liquid, inflation-protected, alternatives to holding cash and we intend to liquidate various investments should we find additional businesses to launch or in which to acquire stakes.

Business Update

For multiple years, I have mentioned that there are tax and regulatory reasons why our public securities portfolio cannot continue to increase. As a public company, we are required to have a substantial portion of our assets invested in operating businesses that we hold in excess of 25% over which we exert some degree of control. Unfortunately, we have been unable to find any such operating business that interests us, and this causes something of a dilemma as we cannot continue on the current path. As a result, we have invested substantial time and expense looking for viable structures (hence the elevated spend on legal) and continue to explore various options. However, we have struggled to find an alternative and we are now of the view that we may not find an acceptable path forward.

When Gen and I originally decided to diversify this business, we envisioned a company that would allow us to pivot between public and private investments, bridging the frequent gaps in valuation between them. We saw an enterprise that could incubate businesses and grow them so that they could one day be set free on public markets. We saw a world full of opportunity, but at the time, we lacked the capital to implement these dreams. Fast forward to today, and we are flush with capital and the opportunity set appears to have disappeared.

Unfortunately, the world has arrived in a place that we did not expect. With Private Equity aggressively bidding for private operating businesses, we simply cannot find anything in the private space that is attractive for our investment capital. Why would an intelligent owner ever sell 25% or more of a company to you for less than it was worth? Meanwhile, that scenario happens daily on the global stock exchanges, with the caveat that it is difficult to purchase 25% or more of a business. However, we frequently purchase a few percent for a stunningly good price.

Now, as the world looks to enter a recession, the gap between public and private valuations has become even more extreme as global equities have sold off dramatically, while Private Equity funds continue to raise record amounts of new capital to deploy. We do not know when or if this gap will swing back in the other direction, but we refuse to purchase a private business at a premium valuation to a comparable public business—particularly as a public markets business affords us instant liquidity, allowing us the optionality to redeploy capital into any future opportunity that presents itself.

We had hoped that this gap in valuation would swing back in the other direction eventually. Instead, it has become even more extreme. Unfortunately, we have something of a ticking clock on our business as we have to eventually own more private business assets or large stakes (25% or more) in public companies. Unfortunately, during 2023, hard decisions must be made. I refuse to make a bad investment decision simply to check a regulatory or tax box. As a result, if we cannot find anything intelligent to do, we'll be forced by legal and tax statutes to begin returning capital to shareholders.

Unfortunately, we are subscale as a public company. Gen and I fought hard to get to this point where we have the heft to execute on our business plan. If we are forced to return capital, we'll never be in a position to execute on this business plan, should an opportunity eventually come up. At the same time, it seems silly to burden our current equity holdings with the operating costs of a public company, spread amongst a much smaller capital base, as shareholders would be far better off investing in similar securities in their own personal accounts. As a result, if we start the process of returning capital, we'll likely end up returning a majority of the excess capital at the same time. I want to make it clear that we are not going to be forced sellers of any securities. If we do take the route of returning capital to shareholders, we'll only do so after individual investments have matured.

As we get closer to the moment where we have to deal with this issue, I wanted to more fully detail our current dilemma and thinking so that I can have more fulsome conversations with shareholders and seek out a possible solution to our conundrum. Our path here is not set in stone and we are hopeful that we can either find a solution or find an investment that interests us. However, it would be unfair to you if we sprung a large capital return on you, when you expected us to be growing this business instead. It would be even worse if we made a bad investment out of necessity to extend our timeline.

We had a dream of building a unique sort of business, but it may prove to be impossible due to regulatory limitations.

KEDM Restructuring

For over a decade, this company, my personal life, and my business life have been oddly intertwined. I have always known that related party transactions should be avoided at all costs, but over the years, there have been a variety of related party transactions, which MGG entered into. In all circumstances, I have done my best to ensure that MGG always came out ahead, often at my own expense. I even faithfully served as Chairman and CEO for zero compensation during the majority of MGG's lifetime. I bring this up, as once again we have entered into a related party transaction and this one is large.

As of November 2022, an entity that I control and am president of, has become a Registered Investment Advisor (RIA) in the USA. Unfortunately, this has multiple complications for KEDM, as RIAs are highly regulated entities and all of my finance facing business interactions must be contained within the RIA and the RIA's compliance process. As a business, MGG came to something of a fork in the road where we had three very unpleasant choices in front of us, characterized in terms of the worst option first; we could disband KEDM and return everyone's subscriptions (which would lead to a multi-million dollar outflow from the company along with forgoing millions in future revenue), we could let KEDM continue without my involvement (which would likely entail a rapid acceleration in subscriber churn and a dramatic decline in revenue), or we could have my RIA produce KEDM for MGG to distribute. After spending far too much capital and an inordinate amount of our time seeking out a fourth option that did not involve a very substantial related party transaction, we have decided that the least bad option is for my RIA to produce KEDM.

As a reminder, MGG previously had engaged an arms-length third party to produce KEDM. That party had its expenses reimbursed along with earning a 20% revenue share on all quarterly revenue in excess of USD $125,000 each quarter. My RIA has now employed many of these same individuals and will shoulder the costs of producing KEDM along with passing through the revenue share to these employees. Unfortunately, due to the costs of coexisting within a highly regulated RIA, the costs of producing KEDM will increase somewhat. This is caused by added expenses for compliance, legal and IT—costs that I've mostly shouldered over the past few years, often not realizing that I was paying these expenses. In the agreement that was approved by the Board of MGG, my RIA will receive USD $50,000 a month along with 20% of all revenue in excess of USD $125,000 each quarter. The contract was structured to ensure that my RIA earns a very modest profit, as the overall costs of producing KEDM within this new regulatory environment are unclear. Over time, my plan is to adjust this contract so that my RIA earns a negligible profit on this contract, and nothing more, as necessitated by tax statutes. Offsetting these expenses, my RIA entered into a rental agreement at a rate of USD $5,000 a month as of January 1, 2023 for use of part of the Puerto Rican office building owned by MGG. MGG believes that this is a market rate of revenue.

I want to assure you that we've tried to make this square peg fit into a round hole for the better part of a year now, and we've hit a level of exhaustion with the topic that only those of us who have been working on this, can truly appreciate. Unfortunately, this is the only path forward that can preserve the value of KEDM for shareholders.

Once again, I wanted to be as forward as possible with you as related party transactions, particularly large ones, should be avoided. Unfortunately, some simply cannot be avoided.

Conclusion

In summary, the fiscal year 2022 continued upon the past few years of progress. We have now incubated and launched KEDM with great success. KEDM has passed through the first renewal period and has proven that subscribers find dramatic value in it. Our public equity investments have succeeded beyond our wildest ambitions, and we are in the best financial position we have been in since we started this adventure. Gen and I very much want to continue this adventure. We have big plans and even bigger ambitions for this company, as noted by our continued and aggressive insider purchases over the years. Unfortunately, various regulatory and tax authorities have put a roadblock in our way and despite speaking with multiple consultants and spending a veritable treasure chest of money on this problem, we cannot find a way forward. We haven't given up hope yet, but are also realists, hence we are making you aware of the likely return of a substantial portion of this company's capital.

During the quarter, the company repurchased 302,600 shares under its Normal Course Issuer Bid. At quarter end, our share count was 27,710,499 or 23% fewer than during our peak share-count in 2016. To date, the company has repurchased a total of 8,224,800 shares.

Sincerely,

Harris Kupperman

CEO

MONGOLIA GROWTH GROUP LTD.

Management Discussion & Analysis
December 31, 2022

The management of Mongolia Growth Group Ltd. (“MGG” or “the Corporation”) presents the Corporation’s management discussion and analysis for the year ended December 31, 2022 (the “MD&A”), compared with the year ended December 31, 2021. As of January 1, 2011, the Corporation adopted International Financial Reporting Standards (“IFRS”). This MD&A provides an overall discussion, followed by analyses of the performance of the Corporation’s major reportable segments. The reporting and presentation currency in the consolidated financial statements and in this discussion and analysis is the Canadian dollar, unless otherwise noted.

This MD&A is dated April 19, 2023, and incorporates all relevant information and considerations to that date.

The following discussion and analysis should be read in conjunction with the audited consolidated financial statements of the Corporation for the year ended December 31, 2022 and December 31, 2021 together with all of the notes, risk factors and information contained therein, available on SEDAR at www.sedar.com.

Forward Looking Statements

This MD&A contains forward-looking statements relating to future events. In some cases, forward-looking statements can be identified by words such as “anticipate”, “continue”, “estimate”, “expect”, “forecast”, “may”, “will”, “project”, “should”, “believe”, or similar expressions. These statements represent management’s best projections but undue reliance should not be placed upon them as they are derived from numerous assumptions. These assumptions are subject to known and unknown risks and uncertainties, including the “Risks and Uncertainties” as discussed herein. Actual performance and financial results will differ from any projections of future performance or results expressed or implied by such forward looking statements and the difference may be material.

Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those predicted. From time to time, the Corporation’s management may make estimates and have opinions that form the basis for the forward-looking statements. The Corporation assumes no obligation to update such statements if circumstances, management’s estimates, or opinions change.

Forward looking statements are included within the Outlook and Executive Strategy sections of this MD&A.

Section 1 – Overview

Financial and Operational Overview

The Corporation has three core focuses of operation: Investment Properties, Subscription Products, and Corporate.

Management believes that its current property operations are not at a sufficient scale to be cash flow positive. As such, the Corporation is looking at various investment opportunities outside of Mongolia, in order to diversify its business and has adopted a Merchant Bank model. Since 2017, the Corporation has spent substantial time evaluating a number of businesses for acquisition but has not decided to move forward on any acquisition. However, the Corporation has incubated and launched a Subscription Products business, which began to produce revenue during the third quarter of this year.

The year saw an increase in overall revenue primarily related to the Corporation recognizing subscription products revenue and an increase in leasing revenue. Additionally, the Corporation recognized realized and unrealized gains from its investment portfolio.

The Corporation's rental revenue was up when compared to 2021. The Corporation managed to maintain a high occupancy rate, with 100% office and 100% retail occupancy rates, and no longer had to offer significant discounts to tenants affected by closures due to Covid-19 as it did in years prior.

During the year, the Company sold five properties for cash proceeds of $919,621 at a net loss of $146,544. (2021- $37,641 loss). During 2021, the Corporation purchased a mixed-use property in Puerto Rico for $821,591 which has been classified as PPE, and completed renovations and furnishings of $711,813 during the year. It is anticipated that the Corporation will continue to dispose of non-core Mongolian properties in future quarters to fund future working capital needs, along with funding the start-up costs or capital cost of the acquisition of a business outside of Mongolia.

During the year, the Corporation recognized revenue of $3,174,031 (2021- $944,411) from its subscription data product named KEDM. It is anticipated that KEDM-related revenue will increase in future years as the number of subscribers increases and the Corporation adds additional services to the core KEDM platform. The increases in revenue will be somewhat offset by the expectation of additional costs in relation to KEDM.

While the Corporation seeks out a business to build or acquire, the Corporation has invested its excess capital in publicly traded securities. During 2022, the Corporation's investment portfolio experienced $8,792,881 of realized gains and $1,031,997 of unrealized gains. As of the end of December, the Corporation has in excess of $38.7 million of cash and net marketable securities with negligible debt (when excluding margin borrowings and short futures call options related to fully hedged call spreads). The Corporation believes that over time, it will continue to dispose of property assets to fund potential future investments outside Mongolia. The Corporation sees its public securities holdings as a source of capital to fund a future acquisition along with the working capital needs of the business. The Corporation may also be forced to take on additional borrowings or issue equity to finance a future acquisition.

Mongolian Economic Overview

Starting in 2012, the Mongolian government initiated a program to restrict and inhibit foreign investment. Additionally, various government officials made statements designed to intimidate foreign investors, followed by arbitrary arrests of foreign employees and confiscations of foreign investments. These actions led to a dramatic slowdown in foreign direct investment (FDI) and an exodus of foreign investors. The economy would have entered a crisis sooner if not for expansionary fiscal policy and monetary stimulus from the Central Bank of Mongolia. However, by 2014, even this stimulus was insufficient to avert the economic crisis which is currently ongoing.

Despite official statistics that tended to show moderate economic growth, the Corporation is of the opinion that the economy had been in contraction from 2014 until mid-2018, though the rate of contraction had varied based on economic policy. During the second half of 2018, the Corporation noticed the first green shoots in many years.

Beginning in February 2020, the Government of Mongolia undertook extraordinary actions to limit the spread of Covid-19. These actions included closing borders, closing schools, reducing gatherings, and drastic limitations on business operations including the Corporation's operations. During 2022, the government relaxed Covid-19 restrictions and overall operations have recovered somewhat. It is anticipated that prior actions related to Covid-19 will continue to impact Mongolia's economic recovery. To date, the Corporation has experienced a low level of bad debt expense; however, it had to issue a significant number of discounts to tenants affected by the economic crisis.

Management believes that the current economic crisis is the result of policies that have discouraged Foreign Direct Investment ("FDI") along with Covid-19. When the government takes the appropriate steps to stimulate FDI, it is expected that the economy can return to sustainable economic growth. Management remains a believer in the long-term growth potential of Mongolia.

Mongolia's economy is likely to be impacted by the Russian invasion of Ukraine as Russia is a substantial trading partner of Mongolia. Recent actions to restrict Russian access to SWIFT may have negative impacts upon Mongolia's ability to trade with Russia, which may negatively impact the Mongolian economy. To date, Mongolia has taken a neutral view regarding the Russian invasion. There is no way to know if Mongolia's stance will shift over time.

Mongolian Property Overview

During the boom years at the beginning of this decade, multiple sizable property developments were initiated. Despite an economic crisis that began in 2014, many of these developments were ultimately completed, while new projects have continually been initiated despite weak demand for these properties. There also remains a sizable shadow inventory of partially completed projects that may re-commence development at any time.

Before the economy was impacted by Covid-19, well-placed office and retail space in the city center was beginning to get absorbed and rental rates were starting to increase, for the first time in many years. Management continues to monitor and evaluate the ultimate impact of Covid-19 on property prices and the Mongolian economy.

Management cautions investors that it is focused on continuing to dispose of non-core property assets, when possible, to recycle capital.

Mongolian Property Business

During the past decade, Management and employees have worked hard to build up the infrastructure needed to manage MGG's institutional property platform. This platform is unique in Mongolia and is one of the only platforms capable of managing assets through the full cycle of ownership from acquisition through disposition and includes dedicated departments that manage maintenance, leasing, marketing, and tenant management. Management believes it has a strong team in place to manage the business on an ongoing basis.

The Corporation has continued to have occupancy levels that are in excess of current market conditions, and it credits its leasing and property management teams with this success. Additionally, bad debt expense has remained below expectations. However, the Corporation issued significant discounts to tenants during the pandemic.

Portfolio

Mongolia Growth Group's Mongolian properties are located in the Downtown and the Central Business District of Ulaanbaatar. During 2021, the Company purchased an office building in Rincon, Puerto Rico. Within the financial statements, MGG classifies properties in each of the following categories: Investment Properties, Property and Equipment, and Other Assets/Prepaid Deposits. Fluctuations in the values of the Corporation's property portfolio during the year can be attributed to changes in valuations, properties purchased and sold, and the change in value of the functional currency (Mongolian Tögrög) versus the Canadian dollar.

Investment Properties

Investment Properties include properties held to earn rental revenue, for capital appreciation, and/or for redevelopment. Investment Properties are initially valued at fair value, which is the purchase price plus any directly attributable expenditure.

Investment Properties are subsequently valued at fair value, which reflects market conditions at the date of the statement of financial position.

The following table represents properties classified as Investment Properties, as of December 31, 2022:

	2022		2021	
	# of Properties	Value at 31-December-2022 $CDN	# of Properties	Value at 31-December-2021 $CDN
Office	2	931,736	2	925,127
Retail	1	5,508,385	6	7,119,588
Land and Redevelopment	2	3,646,835	2	3,841,192
Total	**5**	**10,086,956**	**10**	**11,885,907**

Property and Equipment

Properties are classified as Property and Equipment if the Corporation occupies more than 10% of the property. Properties classified as Property and Equipment are measured at cost less accumulated depreciation, less any accumulated impairment losses. All repairs and maintenance costs to these properties are charged to the Consolidated Statement of Operations during the period in which they occur unless eligible for capitalization. The Corporation's Mongolian headquarters, purchased in October 2011, as well as the newly purchased, mixed-use property in Puerto Rico, fall within this category. The Corporation anticipates continuing capitalized expenditures for the renovation of the newly purchased property in Puerto Rico.

The following table represents properties classified as Property and Equipment, as of December 31, 2022:

	2022		2021	
	# of Properties	Value at 31-December-2022 $CDN	# of Properties	Value at 31-December-2021 $CDN
Office	2	2,616,417	2	2,201,317
Retail	-	-	-	-
Land and Redevelopment	-	-	-	-
Total	**2**	**2,616,417**	**2**	**2,201,317**

Occupancy Rates

A summary of MGG's property portfolio occupancy rates is set forth in the following table:

	31 –December- 2022	31 –December- 2021	31 –December- 2020
	Occupancy Rate*	Occupancy Rate*	Occupancy Rate*
Office	100.0%	100.0%	96.6%
Retail	100.0%	84.2%	100.0%
Weighted Average**	**100.0%**	**91.0%**	**97.0%**

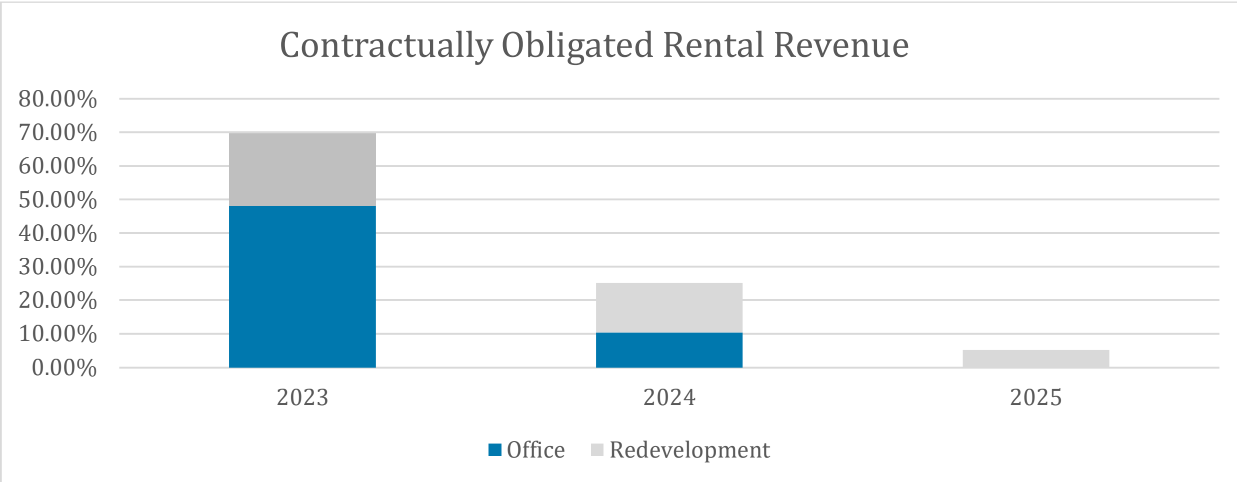
* Occupancy rates are calculated on a per-meter basis and only include properties in the rental pool. It does not include those currently listed for sale.
** Weighted Average is calculated based on total meters available for lease.

Demand for retail space has remained strong, despite a challenging economy. Occupancy levels for the Corporation's office space continue to be strong even while vacancy levels throughout the city have remained high as additional supply has entered the market.

Leasing Schedule

In order to reduce the Corporation's exposure to currency fluctuations and inflation, the Corporation targets shorter lease durations with most tenants. Management's experience is that this practice is in line with local industry standards, with the expectation that once leases expire, existing tenants are offered the first right to re-lease the space at the prevailing market rates.

A summary of the Corporation's lease signings by asset class is presented in the chart below:



The weighted average remaining lease length, calculated as a percentage of monthly revenues, increased during the year to 12.6 months in December 2022 compared to 10.6 months in December 2021.

It is Management's belief that the majority of the Corporation's existing leases are at rates that are in line with prevailing market rates that existed before Covid-19. Future changes in lease rates are dependent on economic conditions.

Subscription Products

The Corporation has built a financial data product known as KEDM, which helps investors to monitor various Event-Driven opportunities. The Corporation initiated a paywall on July 1, 2021, in order to monetize this service. During the year, the Corporation recognized $3,174,031 of subscription revenue. At year-end, the Corporation has $1,547,154 of unearned revenue (2021 - $1,035,471) related to subscription fees that have been collected and not earned. As of December 31, 2022, the Corporation has received $5,665,595 of total billings.

The Corporation intends to increase the marketing of KEDM along with investing to improve the scope and quality of the data. Should KEDM continue to perform acceptably, the Corporation may look to launch or acquire additional subscription products. Additionally, the Corporation is reviewing additional services that it can add to the core KEDM platform to increase revenues. The total KEDM subscriber base has continued to grow at an attractive rate since the end of the year. For more information on KEDM, go to http://www.KEDM.COM.

Investments

The Corporation has invested a portion of its excess capital in marketable securities. As of December 31, 2022, the Corporation held positions in multiple different publicly traded companies with the values of marketable securities owned of $49,237,506, securities sold short of $5,159,131 and $7,393,046 due to broker.

During the year, the Corporation realized gains of $8,792,881 (2021- gain of $10,306,006) from sales of public securities and experienced unrealized gains of $1,031,997 (2021 –gain of $7,946,088).

At the end of the year, the portfolio's holdings with a weighting in excess of 10% of the brokerage account's equity were:

Top Holdings		
Holdings	Shares	%
Crude Oil Futures Calls	-	39.2%
Valaris PLC (VAL – USA)	76,230	19.0%
Sprott Uranium Trust (U-U – Canada)	365,500	15.8%
BNO Energy ETF	127,440	13.3%
St Joe Company (JOE – USA)	73,346	10.5%
Lee Enterprises (LEE – USA)	76,279	5.2%

The Corporation's public securities as of December 31, 2022, are broken out in the following sectors:

Long Portfolio	
Industry Sector	Percentage
Crude Oil Futures and Calls	39.0%
Energy Services	36.3%
Uranium	18.8%
Brent Oil ETF	13.3%
Land	10.5%
Media and communications	8.9%
Technology	2.9%
Building products	2.9%
Other long equities	1.3%

Short Portfolio	
Industry Sector	Percentage
Short Crude Oil Futures Calls	-`14.0%
Other Short options	-0.1%

The Corporation believes that public securities are a liquid alternative to holding cash while seeking out additional businesses to launch or acquire. The Corporation intends to sell its holdings to fund such future businesses. There are tax and regulatory reasons that this portfolio should not be thought of as the future of the Corporation. The Corporation cautions investors that the public securities portfolio is likely to be more volatile than the overall market or a money market account. Additionally, investing in public securities entails substantial risks, far beyond the risks of investing excess cash into a bank account. The Corporation does not expect the recent returns to be repeatable, sustainable or indicative of future returns from the public securities portfolio.

During the first quarter of 2022, the Corporation purchased various Russian securities. As at March 31, 2022, the Company marked all of these securities to zero as sanctions prohibit the sale of Russian securities and the Company may never recover any value from these securities. The Corporation continues to value these securities at zero.

As of December 31, 2022, the public securities portfolio had a net equity value of approximately $36,700,000 when compared to a net equity value of about $27,800,000 at December 31, 2021. During the year, the Corporation withdrew $1,300,000 from the public securities portfolio to fund working capital needs and the Corporation's NCIB. As of March 31, 2023, the public securities portfolio had a net equity value of approximately $33,200,000.

Due from and due to brokers

The Company has margin facilities with its prime brokers. As at December 31, 2022 and 2021, the Company's amounts due to brokers have no specific repayment terms, and they are governed by the margin terms set forth in the prime brokerage agreements. As at December 31, 2022, the Company had net margin borrowings of $7,329,685 (2021 – $7,614,540). The fair value of the collateral-listed equity securities is calculated daily and compared to the Company's margin limits. The prime brokers can at any time demand full or partial repayment of the margin balances and any interest thereon or demand the delivery of additional assets as collateral.

			2022
	Gross amounts due from brokers $	**Gross amounts due to brokers $**	**Net amounts $**
Due from brokers	14,203	(14,203)	-
Due to brokers	-	(7,393,046)	(7,393,046)

			2021
	Gross amounts due from brokers $	**Gross amounts due to brokers $**	**Net amounts $**
Due from brokers	6,872	(4,552)	2,320
Due to brokers	-	(9,173,869)	(9,173,869)

Digital Assets

During the year, the Corporation opened a digital currency account at Kraken Custody and purchased Monero (XMR) cryptocurrency. The Corporation purchased 505 Monero coins during the year for $94,910. At the end of the year, the coins were worth $284,253 as it experiences an unrealized loss of $98,700 and a currency gain of $21,153. The Corporation currently owns 1,425 Monero.

Section 2 - Results of Operations

Selected Annual Financial Information (CAD)

	Year ended 31-December-2022 ($)	Year ended 31-December-2021 ($)	Year ended 31-December-2020 ($)
Revenue and other income	3,926,885	1,776,711	931,215
Income			
Net income (loss) attributable to equity holders of the Corporation	7,938,422	15,549,306	3,727,544
Total Comprehensive income/ (loss) attributable to equity holders of the Corporation	6,403,237	15,491,985	2,516,287
Basic earnings per share ("EPS") (in CAD)			
Net income/ (loss)	0.29	0.53	0.12
Diluted EPS (in CAD)			
Net Income/ (loss)	0.29	0.53	0.12
Balance Sheet			
Total assets	64,557,624	55,026,865	27,970,421
Total liabilities	18,434,092	14,849,578	1,123,994
Total equity	46,123,532	40,177,287	26,846,427
Shares outstanding at year-end	27,710,499	27,778,499	31,281,499
Book value per share	1.66	1.47	0.86

Rental Revenue from Investment Properties

Rental revenue from Investment Properties increased from $679,091 in 2021 to $798,826 in 2022 as the Company no longer had to offer significant discounts to tenants affected by closures due to Covid-19 as it did in years prior.

Unearned Revenue

The Company has developed a data analytics service, named KEDM, that tracks various Event-Driven strategies. The Company initiated a paywall on July 1, 2021, to start monetizing this service. Revenue collected that has not been earned has been classified as unearned revenue and will be classified according to the Company's revenue policies described in note 3 of the 2022 consolidated financial statements.

As of December 31, 2022, the Company has unearned revenue of $1,547,154 (December 31, 2021 - $1,035,471).

Prior to January 1, 2023, MGG had engaged an arm's length company to compile and produce the KEDM report on an ongoing basis, while MGG acted as the distributor and marketer of the product. As a part of this engagement, MGG had agreed to pay certain direct and approved expenses related to producing KEDM in addition to 20% of quarterly earned revenues above a threshold. Expenses related to the unearned revenue have generally not yet been incurred and are not reflected in the Company's financial statements. MGG owns all intellectual property related to KEDM and the arm's length company disclaims any ownership or rights to the intellectual property.

Beginning on January 1, 2023, MGG has engaged Praetorian PR LLC (PPR), a Puerto Rican company owned by MGG's Chairman and CEO to produce KEDM. Under the terms of the agreement, MGG will pay PPR a monthly fee of USD $50,000 along with 20% of any quarterly revenue in excess of USD $125,000. This transaction was necessitated by the need to consolidate all financial-related business activities conducted by the Corporation's Chairman and CEO under the review of his Chief Compliance Officer, following PPR's registration as a Registered Investment Advisor with the US Securities and Exchange Commission (SEC). MGG believes that the compensation paid to PPR will result in a negligible profit to PPR based upon a review of anticipated expenses going forward. Both parties reserve the right to adjust the terms of the agreement following a short-notice period. Additionally, PPR agrees to provide MGG with expense reports periodically to show the KEDM-related expenses that were incurred. For more information about KEDM, go to www.KEDM.com.

Revenue from Other Sources

Revenue from other sources consists of late fees, fees earned for third-party leasing, and property management. For the year ending December 31, 2022, revenues from other sources decreased to $100,572 compared to $190,850 for the year ending December 31, 2021, as there was a significant decrease in brokerage transactions during the year.

Revenue from Subscriptions

Revenue from subscriptions consists of fees earned through our data analytics subscriptions. For the year ending December 31, 2022, revenues from subscriptions were $3,174,031 compared to $944,411 in 2021 as KEDM earned revenues for the full year and continued to gain traction.

Gain/loss on disposal of Investment Properties

During the year, the Corporation sold five properties with a value of $1,066,165 for a net loss of $146,544 (2021 – eight properties for cash consideration of $2,163,008 and a net gain of $37,641).

Fair Value Adjustment on Investment Properties

The estimate of fair value of investment properties is a critical accounting estimate to the Corporation. An external appraiser estimates the fair value of the majority of the Investment Properties annually, the remainder are appraised internally by Management. The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value of investment properties represents an estimate of the price that would be made in an arm's length transaction between knowledgeable, willing parties. The Corporation operates in the emerging real estate market of Mongolia, which given its current economic and industry conditions, has an increased inherent risk given the lack of reliable and comparable market information. For the year ended December 31, 2022, the Corporation recorded a valuation gain of $622,186 (2021 – $441,870 loss). Management continues to evaluate the impacts of Covid-19 on property prices.

Income Taxes

The Corporation has subsidiaries in Mongolia that are subject to income taxes and, accordingly, has provided for current and deferred income taxes with respect to those subsidiaries.

Differences between IFRS and statutory taxation regulations in Mongolia give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The deferred tax liability on the balance sheet increased by $1,962,278 during the year (Q4 2021- $531,408 increase) due to unrealized gains in our investment portfolio.

The Corporation's marketable securities portfolio has generated large gains during 2021 and 2022. It is expected that the Corporation will use up all of its Non-capital losses available and be required to pay taxes in Canada on some of these gains. The Corporation has estimated the deferred liability to be approximately $2,972,522.

Unrealized public securities investment gain/loss

During the year, the Corporation had an unrealized public securities investment gain of $1,031,997 compared to an unrealized public securities investment gain of $7,946,088 during 2021.

Realized public securities investment gain/loss

During the year, the Corporation had realized investment gains of $8,792,881 compared to a realized investment gain of $10,306,006 in 2021.

Realized foreign currency gain/loss

During the year, the Corporation had a realized foreign currency gain of $255,315 compared to a realized foreign currency loss of $313,464 in 2021.

Share Repurchase

During 2022, the Corporation repurchased 302,600 common shares under its Normal Course Issuer Bid (NCIB) at an average price of $1.51 (2021-3,311,500, $0.65 average). As at December 31, 2022, the Corporation held 234,600 shares in Treasury to be cancelled during the first quarter of 2023 (2021- Nil).

Property Operating Expenses

Property Operating Expenses consist of repairs and maintenance, bad debts, utilities, salaries, as well as land and property taxes. For the year ending December 31, 2022, property operating expenses were $770,855 compared to $760,783 during the same period in 2021.

Corporate and Subscription Product Expenses

Corporate expenses include senior management and board of directors' compensation, listing fees, professional fees, technology, travel, investment research expenses, KEDM.COM development costs, and administrative costs.

For the year ending December 31, 2022, general and administrative expenses have increased from $2,021,493 in 2021 to $2,769,687 in 2022. This increase was primarily driven by an increase in production expenses and revenue sharing at KEDM.

Unrealized Digital Assets Investment gain/loss

During the year, the Corporation had an unrealized digital assets investment loss of $98,700 and a currency gain of $21,153 (2021– $42,606 investment loss and a $4,923 currency loss).

Currency

The Mongolian Tögrög has fluctuated significantly over the past ten years; however, it was relatively unchanged in 2021 increasing from 2235 at the end of December 2020 to 2237 at the end of December 2021. During 2022, the Togrog depreciated 16% to 2,542. The fluctuation in the currency is reflected in the Corporation's financial statements, most notably in the investment property portfolio. Note 11 in the financial statements discloses the foreign exchange adjustment, which flows through the investment property classification during each period. As at December 31, 2022, the Corporation recognized an unrealized foreign exchange adjustment loss of $1,354,972 (2021 - loss of $51,451) on its investment property portfolio.

Net Income

For the year ended December 31, 2022, the Corporation had a net income of $7,938,422 (2021 - $15,549,306). The bulk of this income came unrealized and realized gains on marketable securities of $1,031,997 and $8,792,881 as well as the subscription revenue of $3,174,031 earned during the period. Management cautions investors that the Corporation is primarily focused on increasing shareholder value on a per-share basis. This means that, operationally, Management is more concerned with long-term asset appreciation at the expense of short-term cash flow. Management expects this to be the case for the foreseeable future.

Section 3 - Financial Condition

Cash Flow

Mongolia Growth Group's primary sources of capital are cash generated from equity issuance, investing, financing, and asset sales. Management expects to meet all of the Corporation's obligations through current cash and cash equivalents along with cash flows from asset sales.

The following table provides an overview of the Corporation's cash flows from operating, financing, and investing activities for the year ended December 31, 2022, and 2021.

		For the year ending
	31-December-2022 $	31-December-2021 $
Net change in cash related to:		
Operating	(1,126,832)	8,986,056
Investing	1,321,361	(5,767,722)
Financing	(456,992)	(2,141,125)
Effects of exchange rates on cash	(82,603)	(42,669)
Net change in cash during the period	**(345,066)**	**1,034,540**

Overall, the Corporation had cash outflows of $345,066 during 2022 primarily due to significant cash outflows from operating activities offset by Significant inflows from Investing activities. The changes in components of cash flows for the year ended December 31, 2022, compared to the year ended December 31, 2021, were the result of the following factors:

- **Operating**–The Corporation experienced operating cash outflows due to a significant net change in non-cash working capital as the Company had a large amount on deposit at the broker at year-end. In contrast, at the end of 2021, the Company had a large amount due to broker.

- **Investing**–The Corporation experienced significant inflows from investing activities for the year ended 2022 primarily due to significant net sale of marketable securities and investment properties, offset slightly by the acquisition of PPE. In contrast, the Corporation had outflows from the purchase of marketable securities and the acquisition of office property, offset by proceeds on the sale of investment properties in 2021.

- **Financing**– The Corporation experienced smaller cash outflows from Financing activities during 2022 due to smaller share repurchases than in 2021.

To date, the Corporation has been able to meet all of its capital and other cash requirements from its internal sources of cash. As at December 31, 2022, the Corporation had $2,051,245 (2021 - $2,396,311) in cash and cash equivalents. Management considers its marketable securities holdings to be fairly liquid and can be sold should the Corporation need to increase its cash position.

Total Assets

As of December 31, 2022, the Corporation had $51,617,254 (2021 - $40,809,029) in Current Assets of which $2,051,245 were held in cash and cash equivalents (2021 - $2,396,311) and $49,237,506 were held in marketable securities (Q4 2021 - $37,802,853), none were held in unrealized gain on futures contract (Q4 2020-$311,437), $284,253 were held in digital assets (Q4 2021-$266,890), and $44,250 were held in other assets (Q4 2021-$29,218). The increase in marketable securities is due to gains in marketable securities during the period. Investment Properties are classified as Non-Current Assets and are carried at Fair Market Value. During the year, Investment Properties decreased to $10,086,956 (Q4 2021 -$11,885,907) due to a decrease in the total number of properties held and a foreign exchange adjustment loss offset by an unrealized fair value gain.

Property and Equipment, which primarily consists of properties that are measured at their cost base, increased from $2,220,207 as at December 31, 2021, to $2,804,232 as at December 31, 2022 as the Company made improvements on its office in Puerto Rico during the year.

Total Liabilities

As of December 31, 2022, the Corporation had current liabilities of $15,461,570 (2021- $13,839,334) consisting primarily of marketable securities sold short of $5,159,131, amounts due to broker of $7,393,046, payables of $659,402, unearned revenue of $1,547,154 (Q4 2021-$1,035,471) and income tax liability of $642,837 (Q4 2021-$4,274).

As of December 31, 2022, the non-current liabilities on the balance sheet were deferred income taxes of $2,972,522 (Q4 2021-$1,010,244).

Management considers all other current cash commitments to be immaterial and operational in nature.

Total Equity

During the year, the Company's equity value increased to $46,123,532 as at December 31, 2022, from $40,177,287 at December 31, 2021.

The equity of the Corporation consists of one class of common shares.

Outstanding	31-December- 2022	31-December-2021
Common shares	27,710,499*	27,778,499*
Options to buy common shares	-	-

* As at December 31, 2022, the Corporation held 234,600 common shares in Treasury to be cancelled during the first quarter of 2023 (2021 Nil).
* As at April 19, 2023 the Corporation had 27,307,799 shares outstanding, no shares held in treasury and no options outstanding.

Acquisitions and Dispositions

During the year, the Company sold five properties with a value of $1,066,165 at a net loss of $146,544 (2021- $2,163,008 and a net loss of $37,641). The Company purchased no properties in 2022 (2021-one property purchased).

Related Party Transactions

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Key management personnel of the Corporation include all directors, executive management, and persons related to directors and executive management. The summary of compensation for key management personnel is as follows:

Related Party Transactions	2022 $	2021 $
Salaries and other short-term benefits to officers	590,924	597,668
Salaries to other related parties	78,040	63,664
Director fees	60,000	60,000
Total	**728,964**	**721,332**

As at December 31, 2022, amounts due to related parties totaled approximately $16,446 (2021 - $140,000) comprised of fees owed to management were included in trade payables and accrued liabilities. Salaries to other related parties includes the salary of an employee that is related to a director.

Off-Balance Sheet Items

As of December 31, 2022, the Corporation had no off-balance sheet items.

COVID-19

Beginning in February of 2020, the Government of Mongolia undertook extraordinary actions in order to limit the spread of COVID-19. These actions included closing borders, closing schools, reducing gatherings and drastic limitations on business operations. It is anticipated that these actions will lead to a severe economic crisis. Since the initiation of these actions, the Company has experienced a material reduction in rental revenues received. It is also reasonable to expect there could be a material negative impact on the fair values of investment properties; however, at this time the potential effect cannot be quantified. At this time, there is no way to know the ultimate impact of these extraordinary actions upon the economy or the Company.

Events Subsequent to Year End

- Beginning on January 1, 2023, MGG has engaged Praetorian PR LLC (PPR), a Puerto Rican company owned by MGG's Chairman and CEO to produce KEDM. Under the terms of the agreement, MGG will pay PPR a monthly fee of USD $50,000 along with 20% of any quarterly revenue in excess of USD $125,000. This transaction was necessitated by the need to consolidate all financial-related business activities conducted by the Corporation's Chairman and CEO under the review of his Chief Compliance Officer, following PPR's registration as a Registered Investment Advisor with the US Securities and Exchange Commission (SEC). MGG believes that the compensation paid to PPR will result in a negligible profit to PPR based upon a review of anticipated expenses going forward. Both parties reserve the right to adjust the terms of the agreement following a short-notice period. Additionally, PPR agrees to provide MGG with expense reports periodically to show the KEDM-related expenses that were incurred.

- Since January 1, 2023, the Company has repurchased 168,100 of its shares at an average price of $1.46/share and cancelled 402,700 shares.

- As disclosed in the Corporation's March 23, 2023 press release, the Corporation announced that the TSX Venture Exchange (the "Exchange") had accepted a Notice of Intention to renew its normal course issuer bid to purchase outstanding common shares of the Corporation on the open market in accordance with the policies of the TSX.

  Securities Sought

  Up to 1,900,000 common shares, representing up to approximately 6.9% of the 27,475,899 Common Shares of the Issuer currently issued and outstanding, or approximately 9.9% of the 19,030,149 common shares constituting the Issuer's current Public Float (as defined in the Policies of the Exchange).

  Duration

  The Issuer intends to commence purchasing its common shares under the Normal Course Issuer Bid three clear trading days following acceptance of the same by the TSX Venture Exchange (the "Exchange"). The Bid will commence on or about March 27, 2023, and the Bid will end no later than March 26, 2024.

  Method of Acquisition

  Purchases will be affected through the facilities of the Exchange. Purchase and payment for the common shares of the Issuer will be made by the Issuer in accordance with Exchange requirements.

  Member and Broker

  The Normal Course Issuer Bid will be conducted by M Partners Inc. of 70 York Street, Suite 1560, Toronto ON M5J 1S9; Thomas Matthews: Phone: (416) 603-7381.

  Consideration Offered

  Purchases of common shares under the Normal Course Issuer Bid will be conducted at applicable Market Prices in accordance with Exchange requirements. Completion of purchases under the bid will be subject to the Issuer having sufficient funds to acquire the common shares and continue to meet its working capital requirements throughout the course of the bid. The Issuer may in the normal course of its business operations, subject to market conditions, sell one or more of its investment properties to fund acquisitions throughout the course of the bid.

  Reasons for the Normal Course Issuer Bid

  The Issuer is undertaking the bid because, in the opinion of its board of directors, the market price of its common shares, from time to time, may not fully reflect the underlying value of its operations and future growth prospects. The Issuer believes that in such circumstances, the purchase of the common shares of the Issuer may represent an appropriate and desirable use of the Issuer's funds and further enhance market stability.

Persons Acting Jointly or in Concert with the Issuer
N/A

Valuation
After making reasonable enquiry, the Issuer is not aware of any appraisal or valuation of the Issuer's securities that has been prepared within the preceding two years.

In connection with the preparation of its audited financial statements for the financial year ending December 31, 2021, the Issuer engaged Makedifference LLC, an arm's length property valuator, to prepare the following independent valuation report (the "Valuation") in respect of the Issuer's Mongolian real estate investment assets:

- Report entitled "Valuation Review Report", dated February 1 2022, which ascribed a value of 27,867,614,522 MNT (Mongolian Togrogs) to the Issuer's material real estate investment assets as at December 31, 2021;

The Valuations were prepared for internal accounting purposes and the Issuer does not have permission to share the Valuations externally.

Previous Purchases
The Issuer has purchased 470,700 of its common shares at an average price of $1.49 within the past 12 months.

Acceptance by Insiders, Affiliates and Associates
To the knowledge of the Issuer, no director, senior officer or other Insider of the Issuer or any associate or affiliate of the Issuer or any insider of the Issuer currently intends to sell common shares under the Normal Course Issuer Bid. However, such sales by persons through the facilities of the Exchange may occur if the personal circumstances of such persons change or any such person makes a decision to sell shares as market circumstances may warrant. The benefits to any such person whose shares are purchased under the bid would be the same as the benefits available to all other holders of the Issuer's common shares whose shares are purchased under the bid.

Benefits from the Normal Course Issuer Bid
N/A

Material Changes in the Affairs of the Issuer Company
The Issuer currently has no plans or proposals for any Material Change in the affairs of the Issuer or to make any Material Changes in its business, corporate structure (debt or equity), management or personnel, or any other change which might reasonably be expected to have a significant effect on the price or value of the securities.

Section 5 - Quarterly Information

Quarterly Results

The following table is a summary of select quarterly information over the previous eight quarters:

	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Revenue	1,127,733	912,789	1,046,757	839,606	638,904	708,530	179,416	249,861
Net income (loss)	4,219,923	(344,086)	(2,218,219)	6,280,804	1,817,849	3,859,343	3,756,952	6,115,162
Income (loss) per common share	0.15	(0.01)	(0.08)	0.23	0.07	0.13	0.13	0.20
Total Assets	64,557,624	58,523,283	62,823,647	67,714,593	55,026,865	41,332,146	38,950,727	33,756,541
Weighted Average Shares (No.)	27,761,956	27,771,511	27,777,752	27,778,499	29,309,116	29,667,449	30,220,380	30,756,617
Ending Shares (No.)	27,710,499	27,759,299	27,759,299	27,778,499	27,778,499	28,415,999	28,849,499	30,028,499

Revenue

During the fourth quarter, the Corporation earned total revenues of $1,127,733 (Q4 2021 -$638,904) most of which was generated through subscription revenue of $921,061 (Q4 2021 - $522,901). During the fourth quarter, the Company earned $194,258 in rental revenue (Q4 2021 - $199,176), $12,414 in other revenue (Q4 2021 - $20,517) and no gain or loss on disposal of Investment property (Q4 2021 - $103,692 loss).

During the quarter, the Corporation also incurred an $622,186 unrealized gain on fair value adjustment on investment properties and impairment of PP&E of $127,538 (Q4 2021 - $388,240).

Lastly, during the quarter, the Corporation had unrealized gains of $4,126,946 and realized gains of $490,720 in its marketable securities portfolio (Q4-2021– unrealized gain: $3,046,452, realized gain: $371,600)

Expenses

Quarterly expenses totaled $1,288,733 (Q4 2021 - $1,142,053). This increase was primarily due to expenses related to the Company's subscription business.

Net Income

During the quarter, the Corporation experienced a gain of $4,219,923 in comparison to a gain of $1,817,849 in the same quarter of the previous year. This difference is mainly attributed to significant gains in the marketable securities portfolio during the quarter as well as unrealized gains on fair value adjustment of investment properties.

Section 6 – Critical Estimates

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS required Management to make assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The critical estimates made in the preparation of the consolidated financial statements include the following:

Fair Value Adjustment on Investment Properties

The estimate of fair value of investment properties is the most critical accounting estimate to the Company. An external appraiser estimates the fair value of the majority of Investment Properties annually, the remainder is appraised internally by Management. The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value of investment properties represents an estimate of the price that would be made in an arm's length transaction between knowledgeable, willing parties. The Corporation operates in the emerging real estate market of Mongolia, which given its current economic and industry conditions, has an increased inherent risk given the lack of reliable and comparable market information. For the year ending December 31, 2022, the Corporation recorded a fair value adjustment gain of $622,186 (Q4 2021 – $441,870 loss).

Operating Environment of the Corporation

Mongolia displays many characteristics of an emerging market including relatively high inflation and interest rates. The tax and customs legislation in Mongolia is subject to varying interpretations and frequent changes. The future economic performance of Mongolia is tied to continuing demand from China and continuing high global prices for commodities as well as being dependent upon the effectiveness of economic, financial, and monetary measures undertaken by the Government of Mongolia together with tax, legal, regulatory, and political developments. Management is unable to predict all developments that could have an impact on the Mongolian economy and consequently, what effect, if any, they could have on the future financial position of the Corporation.

Recently, the Corporation has experienced difficulty converting Mongolian Tögrög to U.S. Dollars at large Mongolian banks. There can be no certainty regarding the ability to convert or wire money from Mongolia in the future.

In recent years, Mongolia signed an agreement with the IMF. There is no certainty regarding the demands that the IMF may make upon Mongolia for austerity or the impacts that this may have on the economy of Mongolia.

During October 2019, Mongolia was added to the FATF "grey-list" for countries with weak anti-money laundering laws and prevention practices. Though Mongolia was recently removed from the "grey-list," the Corporation is unsure of how this will impact its ability to convert currency or transfer funds internationally. Additionally, the Corporation is unsure of what other impacts this may have upon its business.

Due to the economic crisis, businesses are increasingly paying for transactions using various forms of barter such as used equipment, apartments, vehicles, future services and livestock. To date, the Corporation has only agreed to receive barter items in extreme circumstances and has a strong preference to avoid using barter in transactions. As the economic crisis has worsened, barter transactions have become a more substantial percentage of overall economic transactions. As a result, the Corporation may be forced to receive barter items at a higher frequency. These barter items are often difficult to value and monetize and may cause other difficulties for the Corporation that are impossible to predict.

On February 24, 2022, Russia invaded Ukraine. Mongolia's economy is likely to be impacted by the Russian invasion of Ukraine as Russia is a substantial trading partner of Mongolia. Recent actions to restrict Russian access to SWIFT may have negative impacts upon Mongolia's ability to trade with Russia, which may negatively impact the Mongolian economy. To date, Mongolia has taken a neutral view regarding the Russian invasion. There is no way to know if Mongolia's stance will shift over time.

Deferred Tax Assets

Deferred tax assets are recognized to the extent that it is probable that deductible temporary differences will reverse in the foreseeable future and there will be sufficient future taxable profits against which the deductible temporary differences can be utilized. The Corporation reviews the carrying amount of deferred tax assets at the end of each reporting period which is reduced to the extent that it is no longer probable that deferred tax assets recognized will be recovered or increased to the extent that sufficient future taxable profit will be available to allow all or part of a previously unrecognized deferred tax asset to be recovered. Estimates of future taxable income are based on forecasted cash flows from operations, available tax planning opportunities and expected timing of reversals of taxable temporary differences.

Valuation of Marketable Securities

The Company recognizes marketable securities at fair value. Fair value is determined on the basis of market prices from independent sources, if available. If there is no market price, then the fair value is determined by using valuation models with inputs derived from observable market data where possible but where observable data is not available, judgement is required to establish fair values.

Significant judgments made in the preparation of these consolidated financial statements include the following areas:

Judgement is required in determining whether an asset meets the criteria for classification as assets held for sale and or as discontinued operations in the consolidated financial statements. Criteria considered by management include the existence of and commitment to a plan to dispose of the assets, the expected selling price of the assets, the probability of the sale being completed within an expected timeframe of one year and the period of time any amounts have been classified within assets held for sale. Management reviews the criteria for assets held for sale each quarter and reclassifies such assets to or from this financial position category as appropriate. On completion of the sale, Management exercises judgement as to whether the sale qualifies as a discontinued operation.

As at December 31, 2022 and 2021, Management has made the judgment that none of the Corporation's assets meet the criteria to be classified as held for sale. While this is due to a number of factors, a primary reason is that due to the conditions of the Mongolian economy and the lack of liquidity in the market, management was unable to conclude that the sale of any significant-size asset could be considered highly probable.

Judgement is required in determining whether the Company's Investment property and land use rights titles are at risk. As at December 31, 2022, and 2021, Management has made the judgment that Investment Properties whereby the land title has recently expired but is expected to be renewed in the near future should continue to be classified as Investment Properties. Properties whereby Management judges that the Company's titles are at risk, have been impaired to reflect the level of risk estimated by Management.

Section 7 – Risk Management

Credit Risk

The Corporation's exposure to credit risk is managed through risk management policies and procedures with emphasis on the quality of the investment portfolio. For the year, most of the Corporation's credit risk consisted of institutional deposits. The majority of the funds invested are held in reputable Canadian, American or Mongolian banks.

The Corporation is exposed to credit risk as an owner of real estate in which tenants may become unable to pay contracted rents. The Corporation mitigates this risk by carrying out due diligence on significant tenants. The Corporation’s properties are diversified across residential and commercial classes. Historically, bad debts have not been a substantial expense for the Corporation. Recently, the Corporation has experienced an increase in late rental payments. The Corporation believes that it will collect all of this debt, but there is no certainty that this will occur.

Liquidity Risk

Under certain market conditions, such as during volatile markets or when trading in a security or market is otherwise impaired, the liquidity of the Corporation’s portfolio positions may be reduced. In addition, the Corporation may from time to time hold large positions with respect to a specific type of financial instrument, which may reduce the Corporation's liquidity. During such times, the Corporation may be unable to dispose of certain financial instruments, including longer-term financial instruments, which would adversely affect its ability to rebalance its portfolio. In addition, such circumstances may force the Corporation to dispose of financial instruments at reduced prices, thereby adversely affecting its performance. If there are other market participants seeking to dispose of similar financial instruments at the same time, the Corporation may be unable to sell such financial instruments or prevent losses relating to such financial instruments. Furthermore, if the Corporation incurs substantial trading losses, the need for liquidity could rise sharply while its access to liquidity could be impaired. In addition, in conjunction with a market downturn, the Corporation’s counterparties could incur losses of their own, thereby weakening their financial condition and increasing the Corporation's exposure to their credit risk.

The Corporation does not believe its current maturity profile lends itself to any material liquidity risk, taking into account the level of cash and cash equivalents, investments and marketable securities as at December 31, 2022.

As at December 31, 2022, the Corporation had working capital of $36,155,684 (2021- $26,969,695) comprised of cash and cash equivalents, other assets, net of trade and accrued liabilities, income taxes payable, and short-term bank loan. Management considers the funds on hand to be sufficient to meet its ongoing obligations.

Market Risk

Market risk is the risk that the fair value of, or future cash flows from, the Corporation’s financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Corporation is exposed to market risk in trading its investments and unfavorable market conditions could result in dispositions of investments at less than favorable prices.

Property Title Risk

Mongolian law has strong protections for property assets; however, implementation of Mongolian law is often arbitrary, with high degrees of corruption and incompetence. Additionally, laws frequently change, which can invalidate a property title. To date, the Corporation has only had one of its property assets confiscated by the Government of Mongolia; however, the Corporation believes that there is a possibility that it will have additional assets confiscated by the Government of Mongolia or stolen by private individuals during future periods. The Corporation is currently not aware of any individual asset that is in imminent danger of being confiscated or stolen.

Catastrophe risk

The Company has obtained insurance on buildings and all permanent fixtures totaling approximately $6,600,000 effective May 8th, 2022 ($8,300,000- May 7th, 2021). To date, the Company has not been able to obtain insurance on its Puerto Rican property with a value of $1,203,975 at December 31, 2022. As the property is located on the ocean, it is at risk of significant hurricane damage or other natural disasters which could result in a significant impairment to its value.

Cryptocurrencies Risk

Cryptocurrencies are measured at fair value less cost to sell. Cryptocurrency prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and political and economic conditions. Further, cryptocurrencies have no underlying backing or contracts to enforce recovery of invested amounts. The profitability of the Corporation is related to the current and future market price of cryptocurrencies; in addition, the Corporation may not be able to liquidate its inventory of cryptocurrencies at its desired price if necessary. Investing in cryptocurrencies is speculative, prices are volatile, and market movements are difficult to predict. Supply and demand for such currencies change rapidly and are affected by a variety of factors, including regulation and general economic trends.

Cryptocurrencies have a limited history; their fair values have historically been volatile, and the value of cryptocurrencies held by the Corporation could decline rapidly. A decline in the market prices of cryptocurrencies could negatively impact the Corporation's future operations. Historical performance of cryptocurrencies is not indicative of their future performance.

Many cryptocurrency networks are online end-user-to-end-user networks that host a public transaction ledger (blockchain) and the source code that comprises the basis for the cryptographic and algorithmic protocols governing such networks. In many cryptocurrency transactions, the recipient or the buyer must provide its public key, which serves as an address for a digital wallet, to the seller. In the data packets distributed from cryptocurrency software programs to confirm transaction activity, each party to the transaction user must sign transactions with a data code derived from entering the private key into a hashing algorithm, which signature serves as validation that the transaction has been authorized by the owner of the cryptocurrency. This process is vulnerable to hacking and malware and could lead to theft of the Corporation’s digital wallets and the loss of the Corporation’s cryptocurrency.

Cryptocurrencies are loosely regulated and there is no central marketplace for exchange. Supply is determined by a computer code, not a central bank. Additionally, exchanges may suffer from operational issues, such as delayed execution, that could have an adverse effect on the Corporation.

The cryptocurrency exchanges on which the Corporation may trade on are relatively new and, in many cases, largely unregulated, and therefore may be more exposed to fraud and failure than regulated exchanges for other assets. Any financial, security, or operational difficulties experienced by such exchanges may result in an inability of the Corporation to recover money or cryptocurrencies being held on the exchange. Further, the Corporation may be unable to recover cryptocurrencies awaiting transmission into or out of the exchange, all of which could adversely affect an investment of the Corporation. Additionally, to the extent that the digital asset exchanges representing a substantial portion of the volume in digital asset trading are involved in fraud or experience security failures or other operational issues, such digital asset exchanges' failures may result in loss or less favorable prices of cryptocurrencies, or may adversely affect the Corporation, its operations, and its investments.

Furthermore, crypto-exchanges comingle their client’s assets in exchange wallets. When crypto-assets are commingled, transactions are not recorded on the applicable blockchain ledger but are only recorded by the exchange. Therefore, there is a risk around the occurrence of transactions or existence of period end balances represented by exchanges.

Loss of access risk

The loss of access to the private keys associated with the Corporation's cryptocurrency holdings may be irreversible and could adversely affect an investment. Cryptocurrencies are controllable only by an individual that possess both the unique public key and private key or keys relating to the "digital wallet" in which the cryptocurrency is held. To the extent a private key is lost, destroyed, or otherwise compromised and no backup is accessible the Corporation may be unable to access the cryptocurrency.

Irrevocability of transactions

Cryptocurrency transactions are irrevocable and stolen or incorrectly transferred cryptocurrencies may be irretrievable. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer or theft generally will not be reversible, and the Corporation may not be capable of seeking compensation.

Hard fork and air drop risks

Hard forks may occur for a variety of reasons including, but not limited to, disputes over proposed changes to the protocol, significant security breach, or an unanticipated software flaw in the multiple versions of otherwise compatible software. In the event of a hard fork in a cryptocurrency held by the Corporation, it is expected that the Corporation would hold an equivalent amount of the old and new cryptocurrency following the hard fork. Air drops occur when the promoters of a new cryptocurrency send amounts of the new cryptocurrency to holders of another cryptocurrency that they will be able to claim a certain amount of the new cryptocurrency for free. The Corporation may not be able to realize the economic benefit of a hard fork or air drop, either immediately or ever, for various reasons. For instance, the Corporation may not have any systems in place to monitor or participate in hard forks or airdrops.

Currency Risk

The Corporation owns properties located in Mongolia and collects rental revenue in Mongolian Tögrög, and is therefore subject to foreign currency fluctuations that may impact its financial position and results. Changes in the Mongolian Tögrög, U.S. dollar, and Canadian dollar foreign currency exchange rates impact the fair value of securities denominated in Mongolian Tögrög and in U.S. dollars. All of the Corporation's revenues are received in Mongolian Tögrög while approximately half of the Corporation's expenses are incurred in U.S. and Canadian Dollars. Therefore, a depreciation in the Mongolian Tögrög against the US and Canadian Dollar will reduce net income. The exchange rate continues to be volatile and there is an expectation that volatility may continue for the foreseeable future.

Economic Volatility and Uncertainty

Over the past few years, economic volatility and uncertainty around the world has contributed to dramatically restricted access to capital and reduced capital markets activity for more speculative businesses. Management believes that the Corporation has sufficient resources to carry on its business and remain a going concern.

MGG holds a large portion its assets, investments, and operations in the nation of Mongolia. Mongolia is presently experiencing drastic changes in its economy. Economic volatility and uncertainty in Mongolia could result in inflation, hyperinflation, economic stagnation, political extremism, and other similarly detrimental scenarios which could materially harm the Corporation.

Preliminary growth estimates according to the National Statistics Office for 2022 was an increase of 4.8% year-over-year, while inflation estimates were 13.2% according to Mongol Bank. Management cautions investors that official economic numbers often deviate materially from actual underlying economic conditions.

Depending on the requirements of MGG's businesses, additional funds may be required to be raised in the capital markets and there is no guarantee that sufficient funds raised will be available to complete a financing required to augment the Corporation's operations.

Risks and Uncertainties

The Corporation, as part of its operations, carries financial instruments consisting of cash and cash equivalents, investments and marketable securities, accounts receivable, and trade payables and accrued liabilities. It is Management's opinion that the Corporation is not exposed to significant credit, interest or currency risks arising from these financial instruments except as otherwise disclosed in the notes to the Consolidated Financial Statements.

Further information related to Mongolia Growth Group Ltd. and the risks and uncertainties of MGG is filed on the System for Electronic Document Analysis and Retrieval ("SEDAR") and can be reviewed at www.sedar.com.

Financial Instruments

The Corporation's financial instruments consist of cash and cash equivalents, investments and marketable securities, short-term loans, dividend and interest accruals, accounts receivable and trade and accrued payables. The Corporation is subject to interest risk as it earns interest income from its cash deposits. It is Management's opinion that the Corporation is not exposed to significant credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values. Management believes that there are material currency risks associated to certain Financial Instruments of the Corporation as they are held in Mongolian Tögrög. For further discussion of financial instrument risks, see the Insurance and Financial Risk Management note (Note 17 on December 31, 2022 Financial Statements).

Unless the context otherwise requires, references to the "Corporation" include the Corporation and its subsidiaries and affiliates collectively.

Changes in Investment Strategies

The Corporation may alter its investment strategies and restrictions without prior approval by shareholders to adapt to changing circumstances.

Possible Negative Impact of Regulation

The regulatory environment is evolving and changes to it may adversely affect the Corporation. To the extent that regulators adopt practices of regulatory oversight that create additional compliance, transaction, disclosure or other costs for the Corporation, returns of the Corporation may be negatively affected. In addition, the regulatory or tax environment for securities, derivatives and related instruments is evolving and may be subject to modification by government or judicial action that may adversely affect the value of the investments held by the Corporation. The effect of any future regulatory or tax change on the Corporation is impossible to predict.

Property Specific Risk

The Corporation currently has a standing agreement with the owner of a 42 sq. meter apartment in Mongolia which has been included in one of the Corporation's properties classified as land and development. The agreement entitles the owner of the apartment to 84 sq. meters of space on the first floor of a new building to be built on this land. In this agreement, the Corporation had an obligation to complete the construction of a new building by the end of 2017 and the agreement was not extended. A liability of $261,648 (2021- $263,667) is currently included in the Corporation's balance sheet to reflect this liability. In addition, the Corporation has recognized an $887,732 (2021 - $995,949 unrealized fair value loss on this property in excess of the fair value adjustment calculated using the valuation approaches described. This adjustment is Management's estimate of the market's perception of the risk related to this agreement. While the Corporation has received legal advice that it is not at a substantial risk of losing the property in question, interpretations of Mongolian law can be varied and arbitrary. The Corporation cautions investors that should it lose this property, it would result in a material reduction in the Corporation's overall assets and fair value (3.3 million dollars current carrying value). In addition, there is the potential that the 84 sq. meter liability could inhibit the sale or development of this asset in future periods. The Corporation was not able to obtain any insurance on its Puerto Rican property. There is a risk that the property could be significantly or completely impaired in the event of a hurricane, earthquake or any other natural disaster.

PFIC Risk

The Corporation has not undertaken an analysis to determine if it is a Passive Foreign Income Company (PFIC) under United States tax statutes, nor does it intend to. US shareholders are advised to consult with tax professionals to determine the risks and potential penalties that could be applicable if the Corporate is determined to be a PFIC at a later date.

Use of Derivatives

The Corporation may use derivative instruments. The use of derivatives in general presents additional risks to those applicable to trading only in the underlying assets. To the extent of the Corporation's investment in derivatives it may take a credit risk with respect to parties with whom it trades and may also bear the risk of settlement default. When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the Corporation from achieving the intended hedge effect or expose the Corporation to the risk of loss. In addition, derivative instruments may not be liquid at all times, so that in volatile markets the Corporation may not be able to close out a position without incurring a loss. No assurance can be given that short sales, hedging, leverage and other techniques and strategies utilized by the Corporation to hedge its exposure will not result in material losses.

Custody Risk and Broker or Dealer Insolvency

The Corporation does not control the custodianship of all of its assets. The Corporation's assets will be held in one or more accounts maintained for the Corporation by its broker or brokers. Such brokers are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Corporation's assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a broker or any sub-custodians, agents or affiliates, it is impossible to generalize about the effect of their insolvency on the Corporation and its assets. Investors should assume that the insolvency of any of the brokers or such other service providers would result in the loss of all or a substantial portion of the Corporation's assets held by or through such brokers and/or the delay in the payment of withdrawal proceeds. The Corporation's cryptocurrency is currently being held at Kraken Custody. There is a risk that the custodian loses the Corporation's cryptocurrency. Refer to the cryptocurrency risk section for further cryptocurrency risks.

Investment and Trading Risks in General

All trades made by the Corporation risk the loss of capital. The Corporation may utilize trading techniques or instruments, which can, in certain circumstances, maximize the adverse impact to which a client's account may be subject. No guarantee or representation is made that the Corporation's investment program will be successful, and investment results may vary substantially over time. Many unforeseeable events, including actions by various government agencies, and domestic and international economic and political developments may cause sharp market fluctuations which could adversely affect the Corporation's portfolio and performance.

General Economic and Market Conditions

The success of the Corporation's activities may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the Corporation's investments. Unexpected volatility or illiquidity could impair the Corporation's profitability or result in losses.

Issuer–Specific Changes

The value of an individual security or particular type of security can be more volatile than and can perform differently from the market as a whole.

Portfolio Turnover

The Corporation has not placed any limits on the rate of portfolio turnover and portfolio securities may be sold without regard to the time they have been held when, in the opinion of the Corporation, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate.

Liquidity of Underlying Investments

Some of the securities in which the Corporation may invest may be thinly traded. There are no restrictions on the investment of the Corporation in illiquid securities. It is possible that the Corporation may not be able to sell or repurchase significant portions of such positions without facing substantially adverse prices. If the Corporation is required to transact in such securities before its intended investment horizon, the performance of the Corporation could suffer.

Highly Volatile Markets

The prices of financial instruments in which the Corporation's assets may be invested can be highly volatile and may be influenced by, among other things, specific corporate developments, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Corporation is subject to the risk of the failure of any of the exchanges on which the Corporation's positions trade or of their clearinghouses.

Emerging Markets

The Corporation may invest in the securities of companies which operate in some emerging markets. Operating in emerging markets involves additional risks because companies in emerging markets may be less regulated and not subject to the same standards, reporting practices and disclosure requirements that apply in more developed markets. In addition, some emerging markets and legal systems may not adequately protect investor rights.

Small- to Medium- Capitalization Companies

The Corporation may invest a portion of its assets in the securities of companies with small- to medium-sized market capitalizations. While the Corporation believes these investments often provide significant potential for appreciation, those securities may involve higher risks in some respects than do investments in securities of larger companies. For example, while smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations. When making large sales, the Corporation may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small sales over an extended period of time due to the trading volume of smaller Corporation securities.

Fixed Income Securities

The Corporation may occasionally invest in bonds or other fixed income securities of issuers, including, without limitation, bonds, notes and debentures issued by corporations. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities in which the Corporation invests will change in response to fluctuations in interest rates. In addition, the value of certain fixed-income securities can fluctuate in response to perceptions of credit worthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer’s inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). If fixed income investments are not held to maturity, the Corporation may suffer a loss at the time of sale of such securities.

Equity Securities

To the extent that the Corporation holds equity portfolio investments, or short positions in equities, it will be influenced by stock market conditions in those jurisdictions where the securities held by the Corporation, are listed for trading and by changes in the circumstances of the issuers whose securities are held by the Corporation.

Options

Selling call and put options is a highly specialized activity and entails greater than ordinary investment risk. The risk of loss when purchasing an option is limited to the amount of the purchase price of the option; however, investment in an option may be subject to greater fluctuation than an investment in the underlying security. In the case of the sale of an uncovered option there can be potential for an unlimited loss. To some extent this risk may be hedged by the purchase or sale of the underlying security.

Shorting

Selling a security short (“shorting”) involves borrowing a security from an existing holder and selling the security in the market with a promise to return it at a later date. Should the security increase in value during the shorting period, losses will incur to the Corporation. There is in theory no upper limit to how high the price of a security may go. Another risk involved in shorting is the loss of a borrow, a situation where the lender of the security requests its return. In cases like this, the Corporation, must either find securities to replace those borrowed or step into the market and repurchase the securities. Depending on the liquidity of the security shorted, if there are insufficient securities available at current market prices, the Corporation, may have to bid up the price of the security in order to cover the short position, resulting in losses to the Corporation.

Trading Costs

The Corporation may engage in a high rate of trading activity resulting in correspondingly high costs being borne by the Corporation.

Currency and Exchange Rate Risks

The Corporation's assets will be denominated in multiple currencies. The Corporation will report their results in Canadian dollars. The Corporation expects to report allocations of profit and loss for income tax purposes in Canadian dollars. Changes in currency exchange rates may affect the value of the Corporation's portfolio and the unrealized appreciation or depreciation of investments.

Leverage

The Corporation may use financial leverage by borrowing funds against the assets of the Corporation. Leverage increases both the possibilities for profit and the risk of loss for the Corporation. From time to time, the credit markets are subject to periods in which there is a severe contraction of both liquidity and available leverage. The combination of these two factors can result in leveraged strategies being required to sell positions typically at highly disadvantageous prices in order to meet margin requirements, contributing to a general decline in a wide range of different securities. Illiquidity can be particularly damaging to leveraged strategies because of the essentially discretionary ability of dealers to raise margin requirements, requiring leveraged strategy to attempt to sell positions to comply with such requirements at a time when there are effectively no buyers in the market at all or at any but highly distressed prices. These market conditions have in the past resulted in major losses. Such conditions, although unpredictable, can be expected to recur.

Future Acquisitions and Business Diversification

Management is currently evaluating future acquisitions of businesses and operating assets that are not related to investments within Mongolia. There can be no certainty that the Corporation will acquire any business. Additionally, if the Corporation acquires part or all of a business outside of Mongolia, it may dilute management's focus on current operations within Mongolia. Additionally, shareholders who desire a Mongolia focused investment vehicle may sell shares of the Corporation if they do not desire investments outside of Mongolia. There can be no certainty that the Corporation can raise adequate funding to finance an acquisition of a business outside of Mongolia or that diversification of the Corporation's business is in the best interest of the Corporation. Capital spent on researching businesses outside of Mongolia will increase operating expenses and operating losses as long as such due diligence is ongoing.

Internal Controls over Financial Reporting

Changes in securities laws no longer require the Chief Executive Officer and Chief Financial Officer of junior reporting issuers to certify that they have designed internal control over financial reporting, or caused it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Instead, an optional form of certification has been made available to junior reporting issuers and has been used by the Corporation's certifying officers since December 31, 2013 annual filings. The new certification reflects what the Corporation considers to be a more appropriate level of CEO and CFO certification given the size and nature of the Corporation's operations. This certification requires the certifying officers to state that: they have reviewed the interim MD&A and consolidated financial statements; they have determined that there is no untrue statement of a material fact, or any omission of material fact required to be stated which would make a statement or its omission misleading in light of the circumstances under which it was made within the interim MD&A and consolidated financial statements; based on their knowledge, the interim filings, together with the other financial information included in the interim filings, fairly present in all material respects the financial condition, results of operations and cash flows of the Corporation as of the date and for the periods presented in the filings.

Additional Information

Additional information relating to Mongolia Growth Group Ltd., including its interim financial statements, is available on SEDAR at www.sedar.com.