

2018 ANNUAL REPORT

BDSec Joint Stock Company



GRAND BULL AWARDS
2014-2018
THE BEST BROKER, DEALER COMPANY
"BDSEC JSC"



GRAND BULL AWARDS
2014-2018
THE BEST UNDERWRITING COMPANY
"BDSEC JSC"







CONTEXT

GENERAL INFORMATION

MAIN BUSINESS OPERATION

HIGHLIGHTS OF 2018

FINANCIAL STATEMENT

GREETINGS FROM BOARD CHAIRMAN B.LKHAGVADORJ



Dear shareholders, clients and colleagues

2018 was growth year to Mongolian capital markets as well as to the company BDBSec JSC bringing lots of success and prosperity

We have increased our client base by 25% by opening 57,430 accounts.

We have successfully introduced the projects such as the first cross-listing on MSE of Erdene Resource Development Corporation, IPO of Ard insurance Company and preferred shares of Achit Zes LLC.

We stabilized company's regional operation as well as rebuilt the hall for clients so that we present quick and high quality service and create comfortable environment for investors & clients.

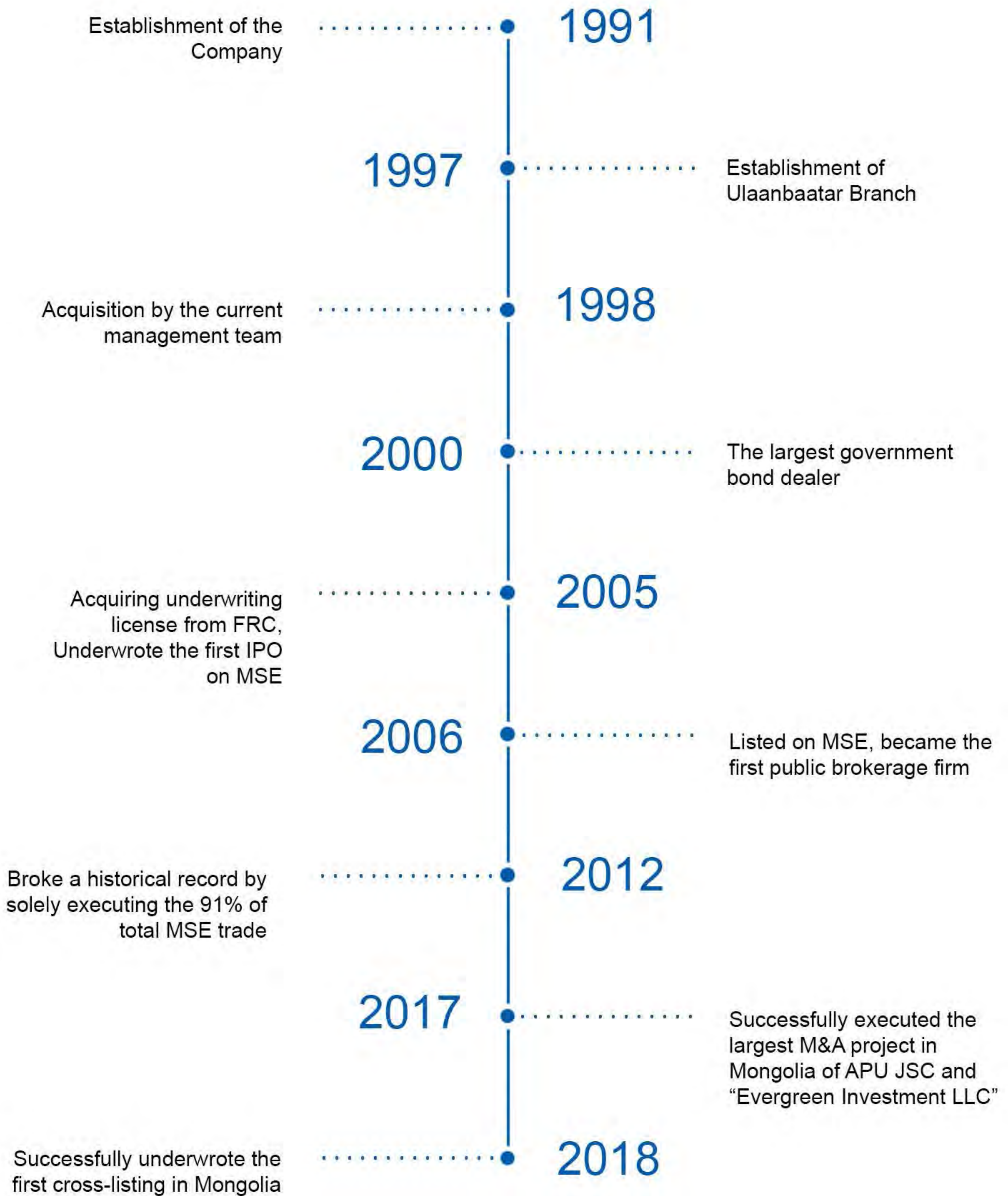
We also introduced online trading system to the clients so that they would be able to get our service from anywhere they like.

In terms of the human resources, we acquired many experienced specialist and increased our human resources by 30% becoming the largest brokerage company.

Our company is implementing "shareholders activism" starting from 2018 and we are working more deeply with companies that we invested in. Out of them, we are specifically working with 4 companies which are the leaders in their respectful sectors and products have the high potential for future growth by implementing projects to expand their operation, increase their profitability and raise necessary funding.

BDBSec JSC will keep introducing various innovative furtherly delivering the best quality service to cooperating companies, clients and shareholders by strengthening our position on the market.

HISTORIC TIMELINE





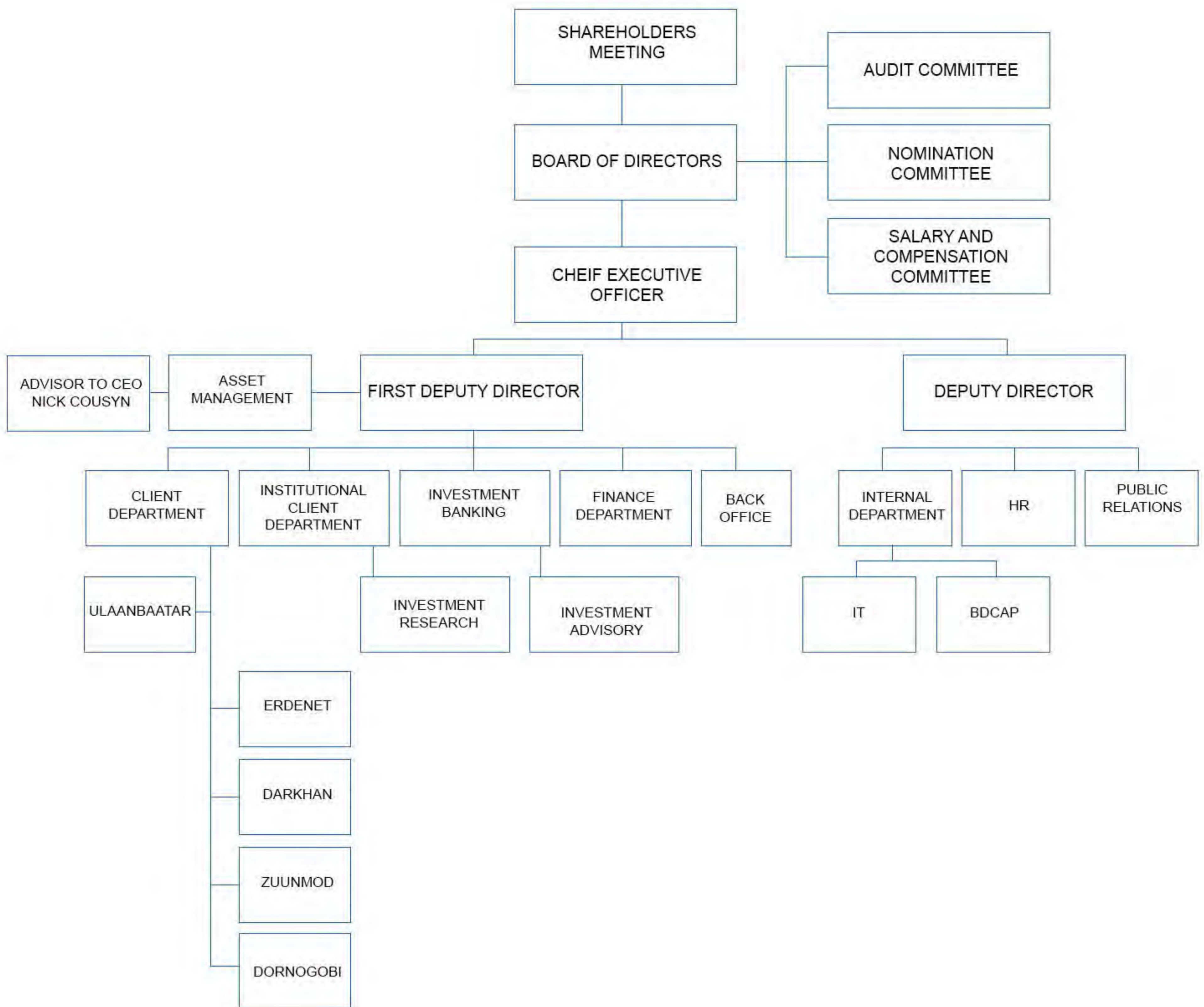
VISION

To position ourselves in the market as a leading and internationally qualified financial organization, to promote industries through investment and comprehensive financial service.

MISSION

- Long-term plan ● Develop business operation that matches international standards and creates national public companies
- Mid-term plan ● Promote national manufacturers, run business in international markets and increase the number of participants of Mongolian capital market
- Short-term plan ● Strengthen foreign relationship, increase stock trading activity, improve company's human resource and provide reliable information to capital market participants and clients

COMPANY STRUCTURE



BOARD MEMBERS

BOARD CHAIRMAN



B.LKHAGVADORJ
FIRST DEPUTY DIRECTOR
OF BDSEC JSC

REGULAR MEMBERS



D.DAYANBILGUUN
CEO OF BDSEC JSC



N.BATGEREL
DEPUTY DIRECTOR OF
BDSEC JSC



ULUC BINGOL
DIRECTOR AT
IMPERA CAPITAL

INDEPENDENT MEMBERS



D.AMGALANBAYAR
DIRECTOR AT
MSM LLC



HITOSHI TANI
CHAIRMAN AT
EXE GROUP



B.ENKHBAYAR
CEO AT EXE
GROUP



B.AMARSANAA
DIRECTOR AT
HEREEJI LLC



JAMES PASSIN
MANAGER AT
FIREBIRD

BOARD SECRETARY



B.TEMUULEN
SPECIALIST IN INSTITUTIONAL
CLIENT DEPARTMENT

BOARD COMMITTEES:

- Salary and Compensation Committee
- Audit Committee
- Nominating Committee

BROKERAGE SERVICE

We provide service to our clients and investors on trading securities, bonds and other products as well as providing necessary information about the capital markets and giving high quality advisories.

Number of clients

BDSec JSC has opened a total of 57,430 accounts in 2018 and as a result, the total number of clients reached 250,000. 22% of total investor to the Mongolian Stock Exchange are a client of our company.



Total trading

As of the last 9 year result, BDBSec JSC solely executed 8-91% of total MSE trade.



Branches

The activity of local investors has risen significantly due to the cabinet resolution to distribute "Erdenes Tavan Tolgoi" JSC shares to the every citizen of Mongolia born before 2012. The company activated its branch services in regional areas and have been delivering capital market service to the province and municipal residents.

The company has license on below provinces:

Darkhan
Erdenet
Tuv
Dornogobi
Selenge

Online Brokerage Service

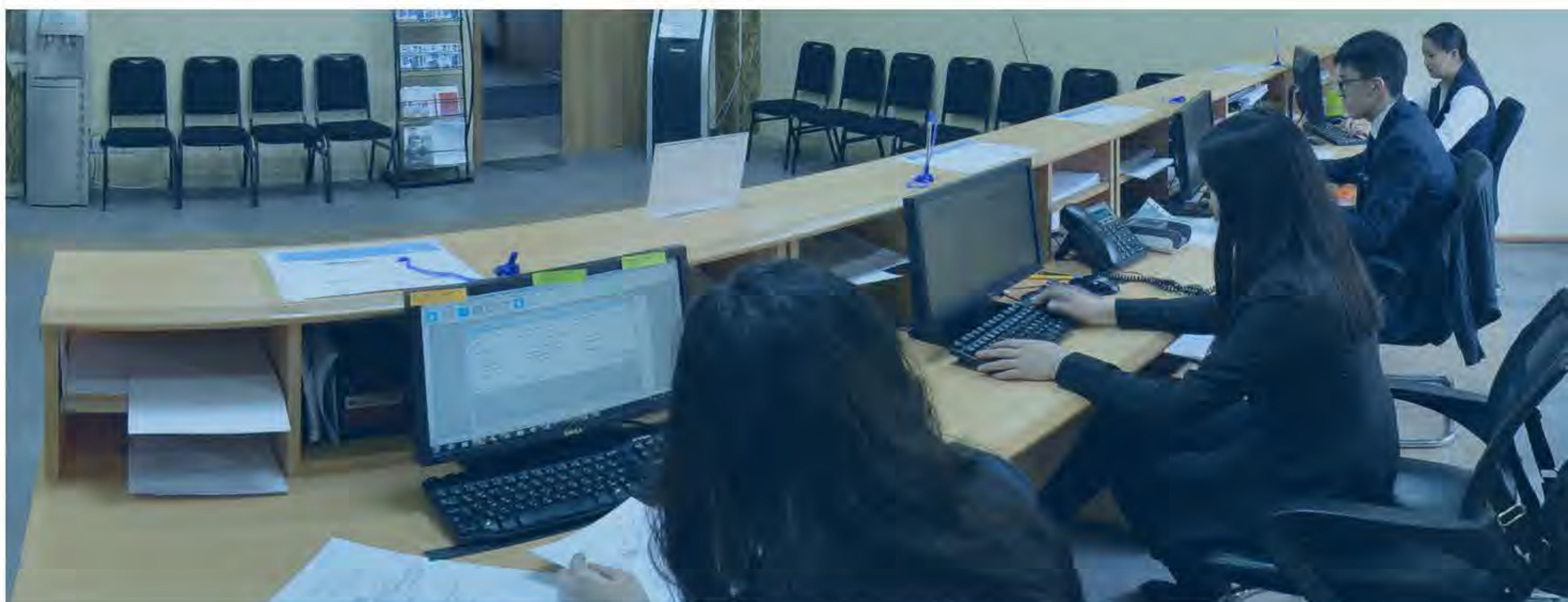
Online brokerage service helps the client to save time and efficiently participate in capital market by enabling investors to be able to see balance of their account, acquire their account statement, and trade on the MSE from "anywhere and anytime" using their mobile phone and tablets or computer.

Trading hall

We established a trading hall which provides comfortable environment and an opportunity to directly participate in stock exchange trade for the investors and clients. Moreover, the clients who actively participate in trading on MSE have been using the trading hall for a long time.

News and information

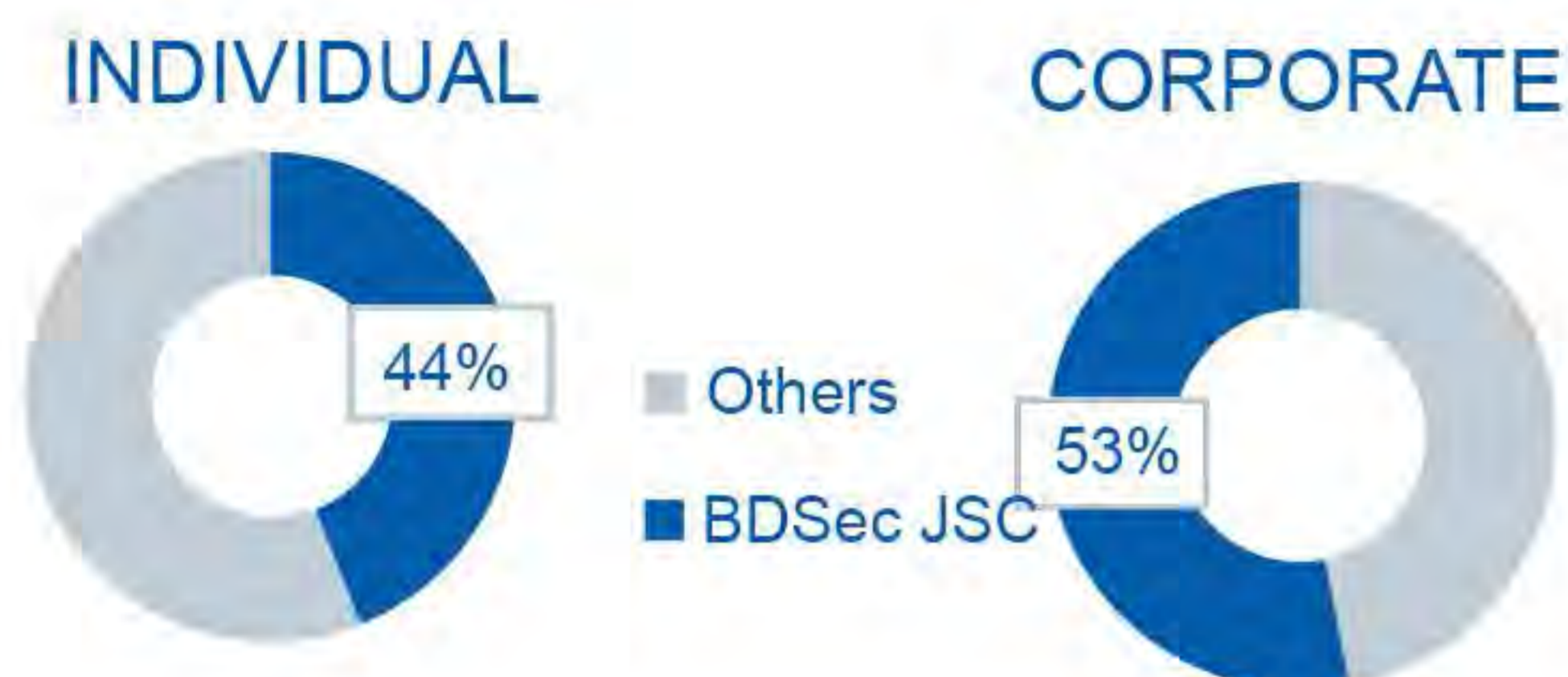
We provide service which enhance range of participants, advertise stock exchange market and deliver daily trading news, weekly review and etc. We try to deliver the ongoing hot topics on the capital market via daily trade news, weekly report and capital markets news through our website and web page, so that the investors are able to make the right decision on investments.



INSTITUTIONAL CLIENT DEPARTMENT

Institutional Client Department which was established in April, 2013, is responsible for introducing local clients to the foreign stock exchange trade as well as providing exclusive service to the institutional clients by communicating with international clients, receiving trade orders and providing advisory services about the Mongolian Stock Exchange. Also, we provide with market research and analysis on joint stock companies and other related topics of the capital market.

International clients



Our clients compose more than 50 percent of the total foreign investors to the Mongolian Stock Exchange.

Research and analysis

We constantly deliver an information, research and report with regards to Mongolian economy, capital market and joint stock companies with international standard to our investors.

Investors' meeting

We organize meetings with state agencies, joint stock companies and other significant entities for the local and foreign investors whom are interested in investing in capital market of Mongolia.

INTRODUCING BROKER TO FOREIGN EXCHANGE



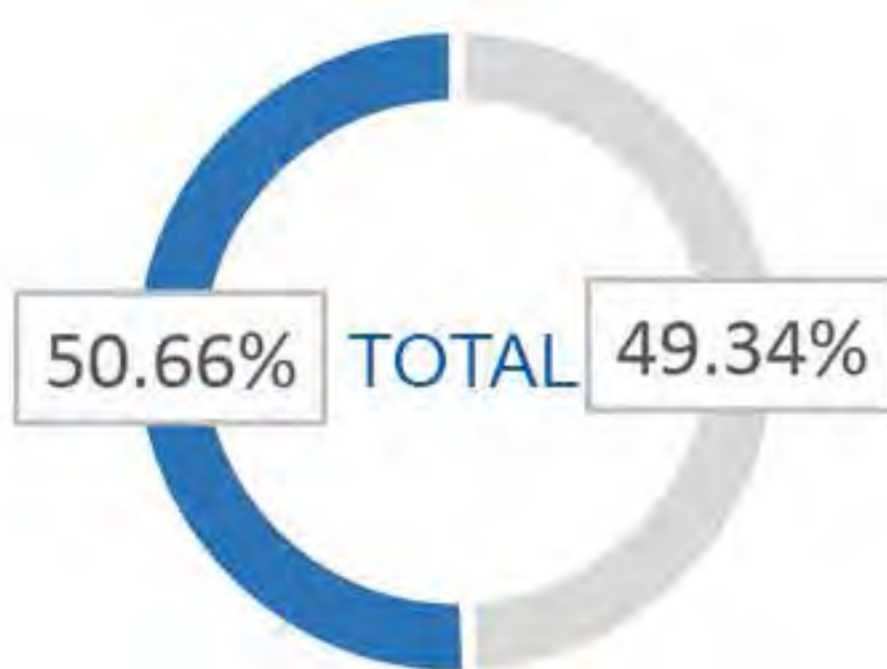
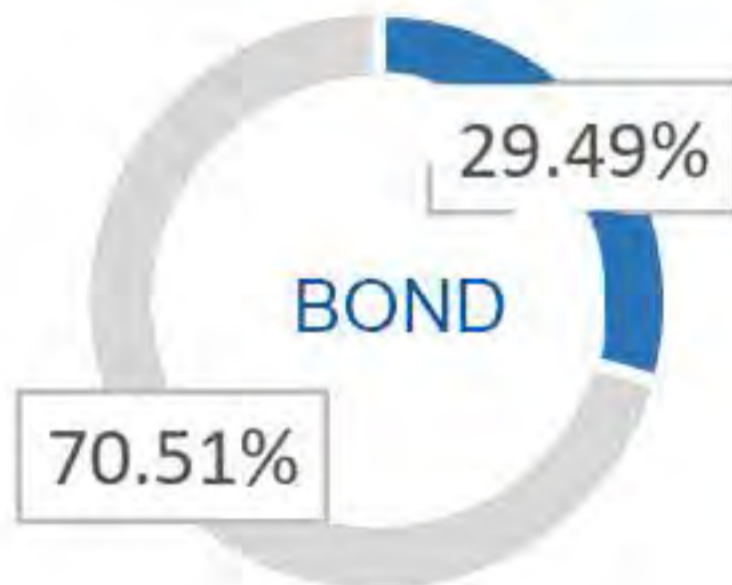
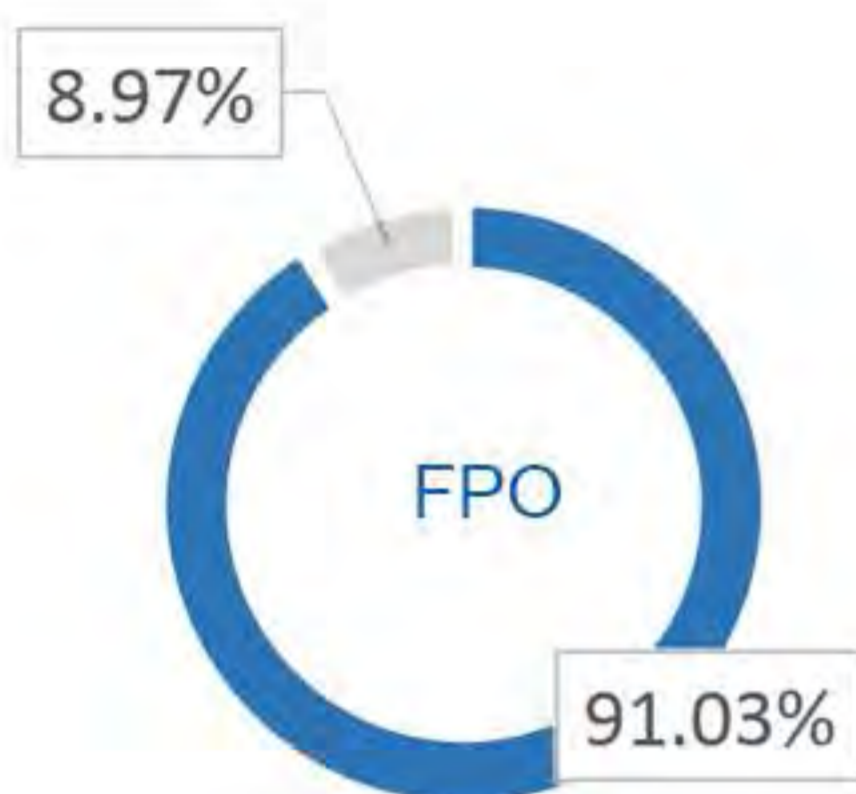
The company acquired its license for becoming an introducing broker to foreign exchanges on May 11, 2017 which enabled local investors to participate not only in domestic market but also in international stock exchanges. The company is the official introducing broker of Saxo Group, which is one of the biggest leading online brokerage company. In 2018, our clients executed a total of USD 40,000 worth transaction through Saxo Bank.

Saxo Bank was established in 1992 becoming the first brokerage firm to develop its own trading platform and offered its service not only to institutional investors but also to private individual investors.

Advantages

- The trading platform is developed by the company itself which is very convenient, easy to use and could manage everything from only one access
- The initial investment is only USD 2,000
- The platform has 28 language selections
- Variable and in depth researches are available

TOTAL EXECUTION

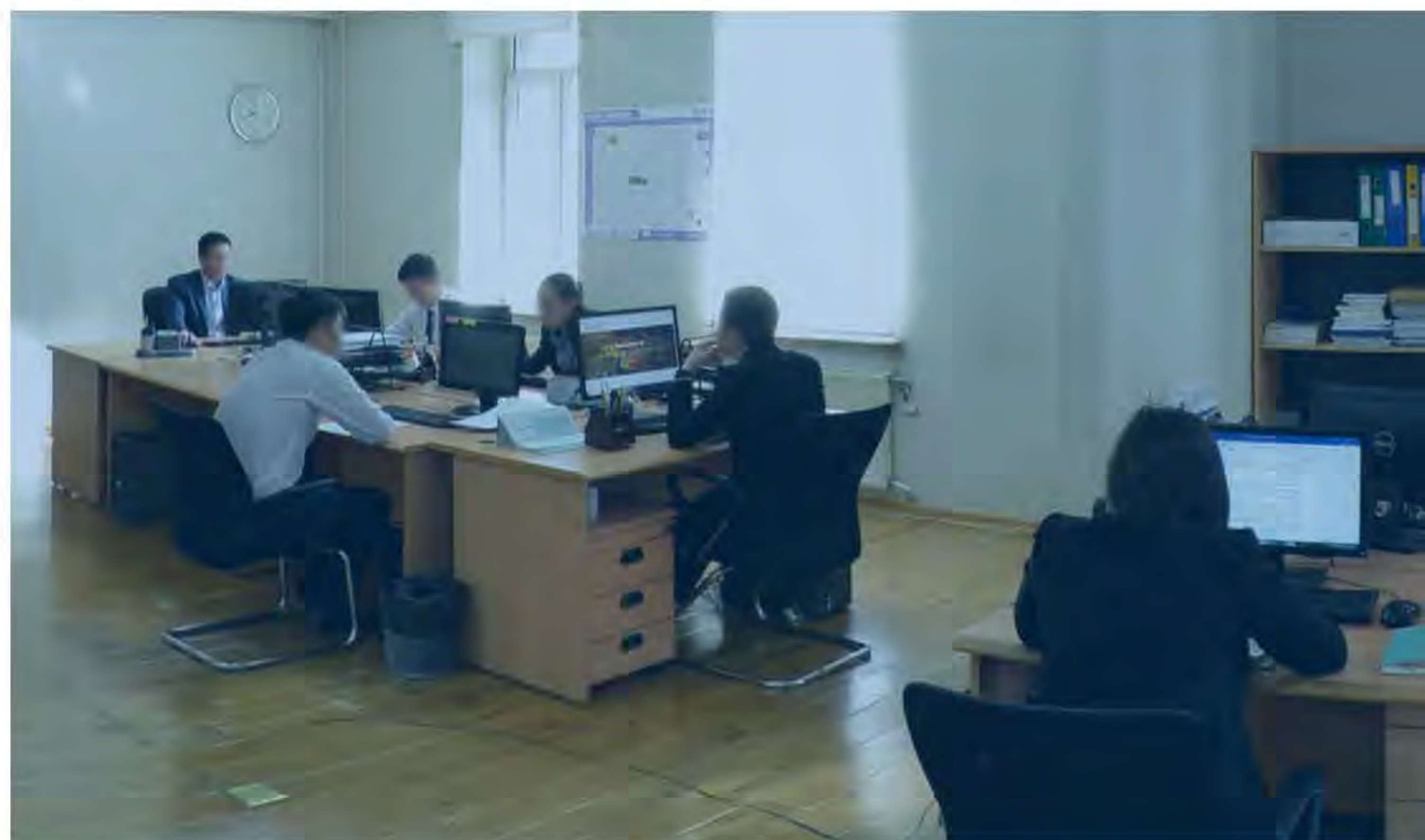


- BDSec JSC
 - Others
- since 2011

UNDERWRITING SERVICE

BDSec JSC provides underwriting service on the new IPOs and FPOs on the MSE which supports the Mongolian national companies to raise capital from the market and contribute to the economy of Mongolia.

We are becoming experienced year by year by executing the biggest deals such as the largest M&A deal (APU JSC and Evergreen Investment LLC), the first ever cross-listing in Mongolia (Erdene Resource Development Corporation).



2018 HIGHLIGHTS

THE FIRST CROSS-LISTING

BDSec JSC has successfully registered “Erdene Resource Development Corporation” to the Mongolian Stock Exchange as the first cross-listing in the capital market and raised MNT 2.5 billion which is an important step to bring Mongolian Stock Exchange becoming closer to world standard.

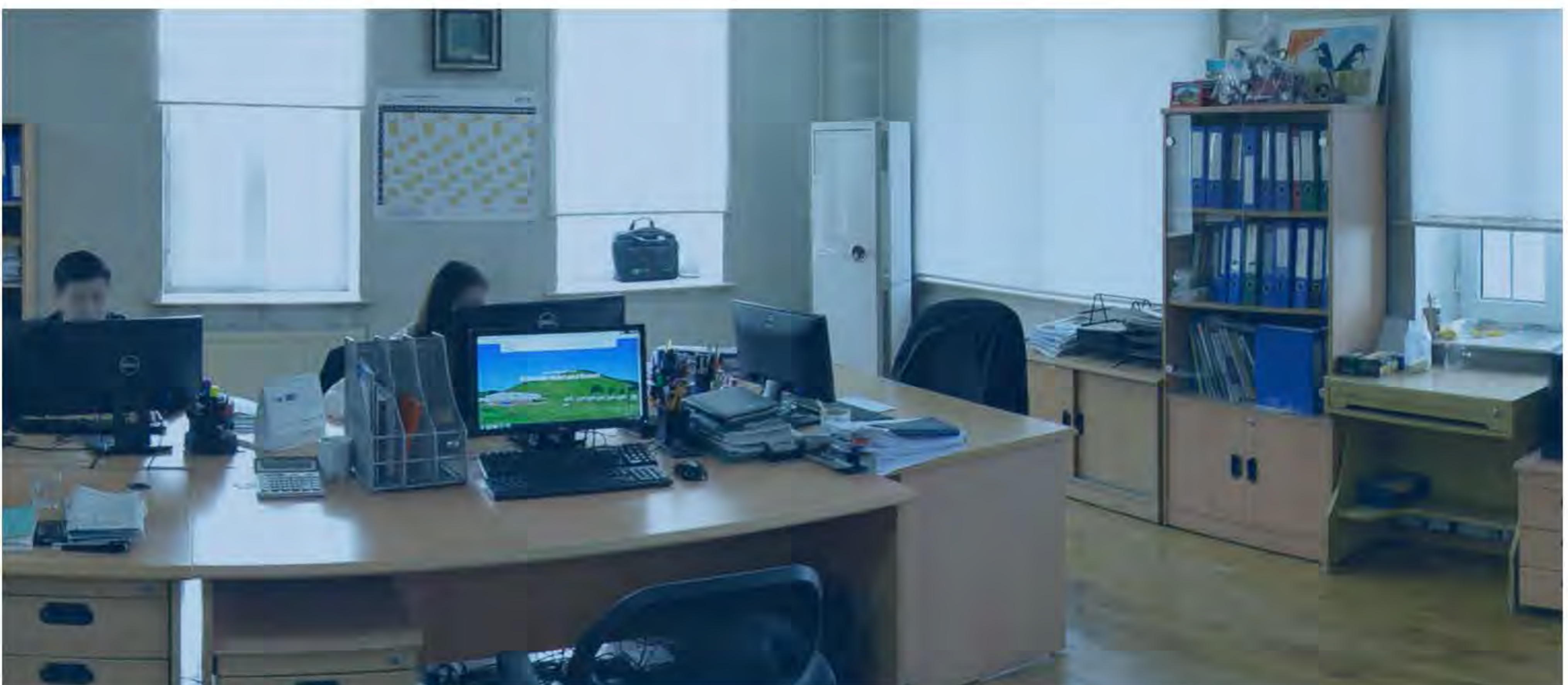
PREFERRED SHARES

Within the framework of social responsibility, “Achit Ikht” LLC was the first company to offer preferred shares through its subsidiary company “Achit Zes” LLC to the employees of Erdenet Mining Corporation and Achit Ikht LLC.

BDSec JSC worked on this project as an investment advisory and helped the company to raise MNT 1.08 billion and 300 people to become the efficient owners of the preferred shares.

THE FIRST IPO OF THE INSURANCE SECTOR

The company underwrote one of the first insurance company. Which is IPO “Ard daatgal” JSC in June, 2018 and offered 7.5 million shares to the public and raising MNT 5.25 billion.



SHAREHOLDER ACTIVISM

BDSec JSC started to implement Shareholder Activism for the first time in Mongolia since 2018 and it is near to see the one year result.

Within the framework of this project, the company selected 4 joint stock companies, which we own 8-33 percent of them, in order to increase their profitability and benefits to the shareholders by working together on implementing new projects, expanding operations and raising necessary capitals on the board and management level.

The companies have big potential to operate with high profits but have been operating with losses for several years and there are many changes need to be made on management, financing and marketing. Thus, this was the reason why BDBSec JSC started to initiate Shareholders Activism.

- To implement good governance
- To make the company transparent
- To finance projects to be implemented
- To decide necessary funding
- To find the right human resource, introduce proper marketing and IT programs
- To pay attention on increasing the efficiency of the share price

Currently executive directors of 2 companies were appointed newly and structure of board of directors has been changed. We have started cooperation to increase and stabilize the number of board meetings and to support the ongoing issues in the company in the board level.



1. Genco Tour Bureau JSC

BDSec JSC owns 33 percent of the company and elected 3 members to Genco Tour Bureau JSC Board as a representative of BDBSec JSC.

The project we are initiating is to make "Chinggis Khaan Statue" complex, which have 150,000 visitors annually and 50,000 – 100,000 passerbys, into the national garden with various type of services.

This will include:

- a. Food court
- b. Tourist camp
- c. Children's play center
- d. Commercial shops (Souvenirs and other)
- e. Small theatres (national plays)
- f. Museum
- g. Other



2. "E-Trans logistic" JSC

BDSec JSC owns 33 percent of the company and we elected 3 members to the Board. The project we are initiating includes expanding the logistics activities which is the core operations as well as establishing the biggest shopping mall using the location advantage and customers flow in Zamyn-Uud. The company is located only 500 m away from state border along the main road between Mongolia and China on the 5 hectare area. Around 10,000-20,000 people go by car through the Zamyn-Uud port and Chinese day tourists visit Mongolia every day to purchase products of Mongolia, Russia and South Korea.



3. "MonInjBar" JSC

BDSec JSC owns 30 percent of the company and elected 2 people as a representative of BDBSec JSC.

There is a necessity the current city to have another following city which needs to have detail infrastructure planning. Building it on state budget or city budget will give a lot of pressure to the country along with taking a long time.

Thus, the company is initiating a project to settle the problem easily which includes not only the cooperation between public and private sector but also cooperation between attendees in this project such as financial entities, project proponents and project executors, who will have an important role in order to implement this project successfully.



4. "Shivee Ovoo" JSC

BDSec JSC owns 8.6 percent of this company and elected 1 member to the board to represent BDBSec JSC.

The Shivee Ovoo coal deposit covers a total area of 29,500 hectares, with total of 270 million tons of coal reserves and has three major parts.

The company's position on the market is steadily strengthening as its mining volumes, overburden removal and supply to the local market has

been constantly increasing.

We are planning to make the company more transparent and implement good corporate governance on "Shivee-Ovoo" JSC.

Everyone who is a shareholder or investor to MSE has a possibility to cooperate with us to implement above projects and join the Shareholder activism.

INTERNAL DEPARTMENT

BDCap LLC as subsidiary company with 100 percent investment from BDBSec JSC is responsible for rental income of the office and regular maintenance expenditure. The company has worked to prevent the risk and maintain reliable operation and maintenance of the car in a timely manner.

HUMAN RESOURCE MANAGEMENT

Our company is striving to implement the proper, long term, flexible and comprehensive human resource management strategy, and have been training and educating our specialist to create skilled, ethical, healthy and competent professionals.

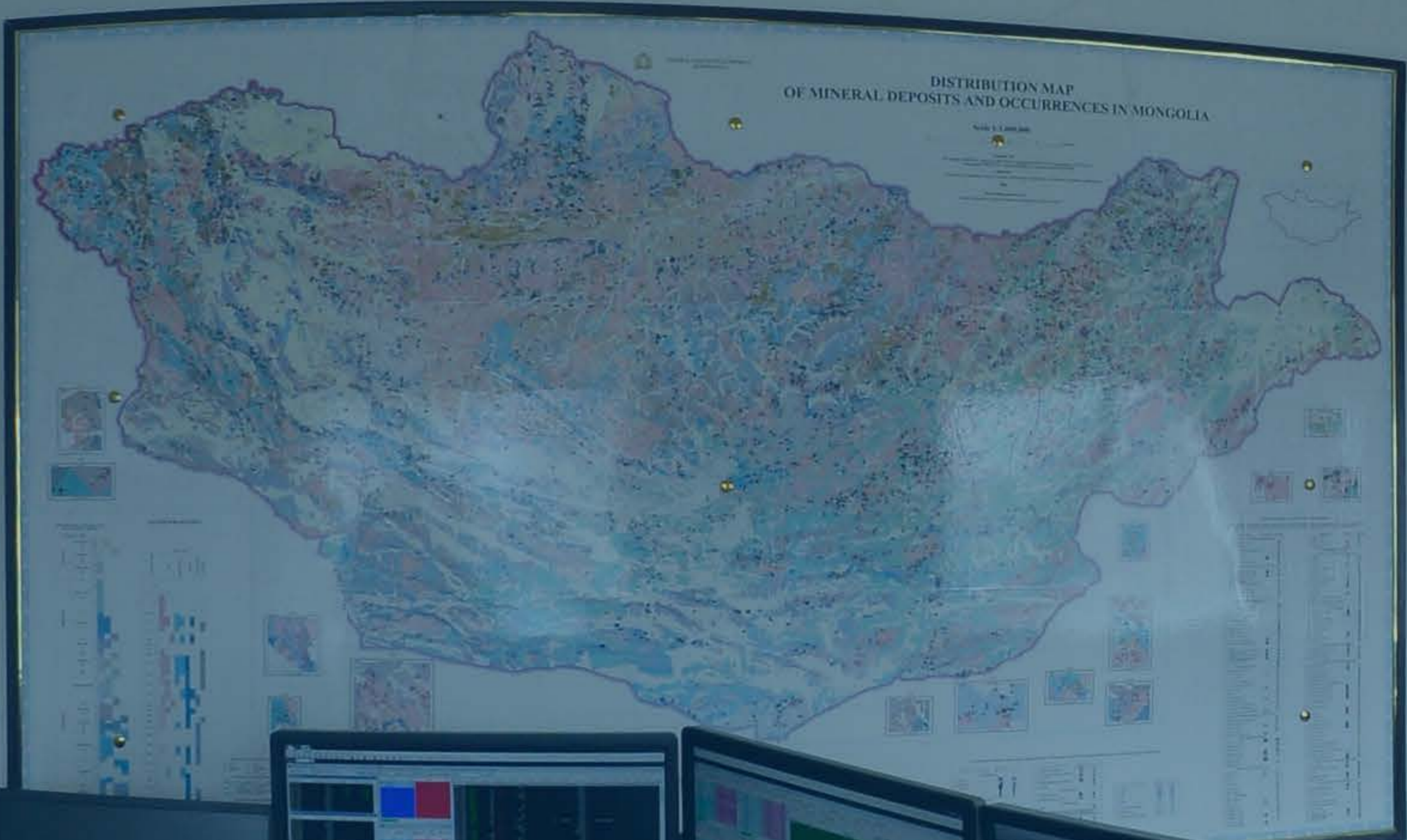
The number of specialist of company has steadily increased in the recent years and currently we are working with more than 30 specialists.

SOCIAL RESPONSIBILITY OF THE COMPANY

BDBSec JSC has been paying attention to create coherence, polite relation and warm atmosphere between the employees of organizations in the capital market within the framework of social responsibility in 2018.

Our company has been able to accurately determine the size of the payment in every year and has been paying our payments within the legal framework. Our company paid MNT ... million for tax and MNT ... million for health and social insurance to the state budget.

We also organized "BDBSec CUP-2018" which is a soccer competition held every year among the participant organizations of the capital market for the 13th year and successfully participated in the 5 type sports game among the same participants.



HIGHLIGHTS IN BRIEF



Provided investment advisory to Erdenes Tavan Tolgoi JSC

Executed the first cross listing in Mongolia



Erdene Resource Development



Provided investment advisory for a company to issue preferred shares and giving high yield to the shareholders

Underwrote on the IPO of the first insurance company raising MNT 5.25 billion



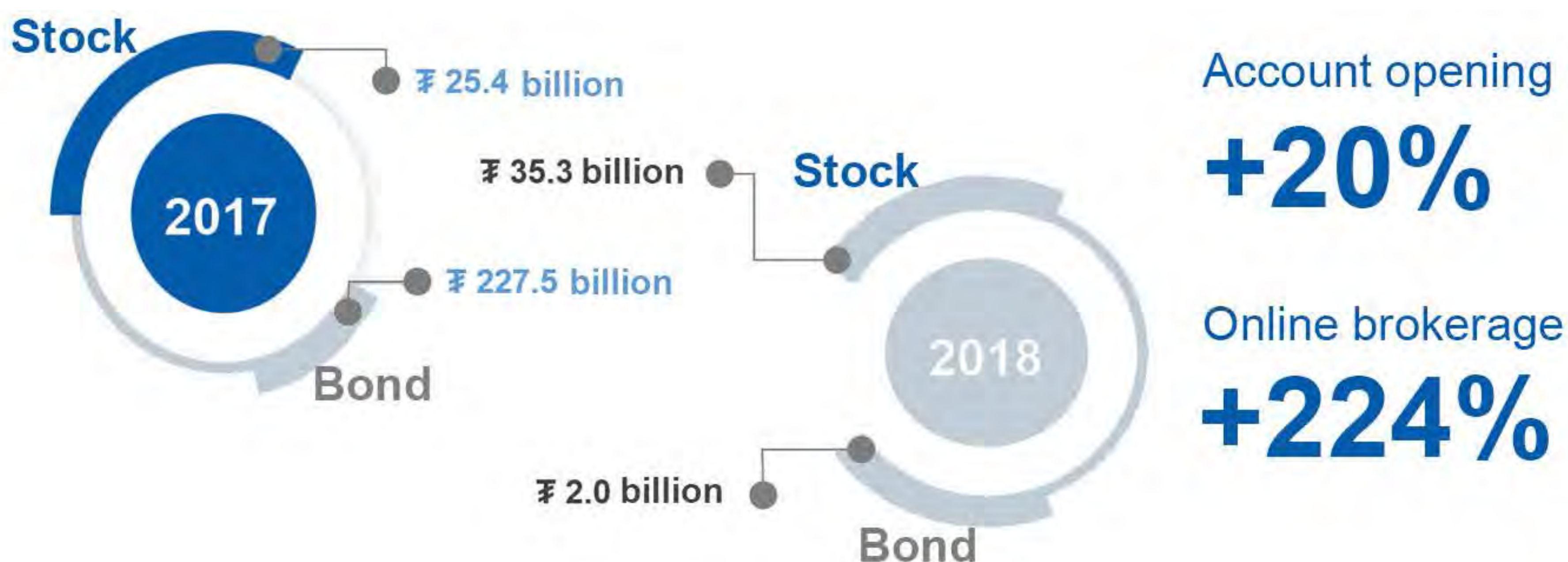
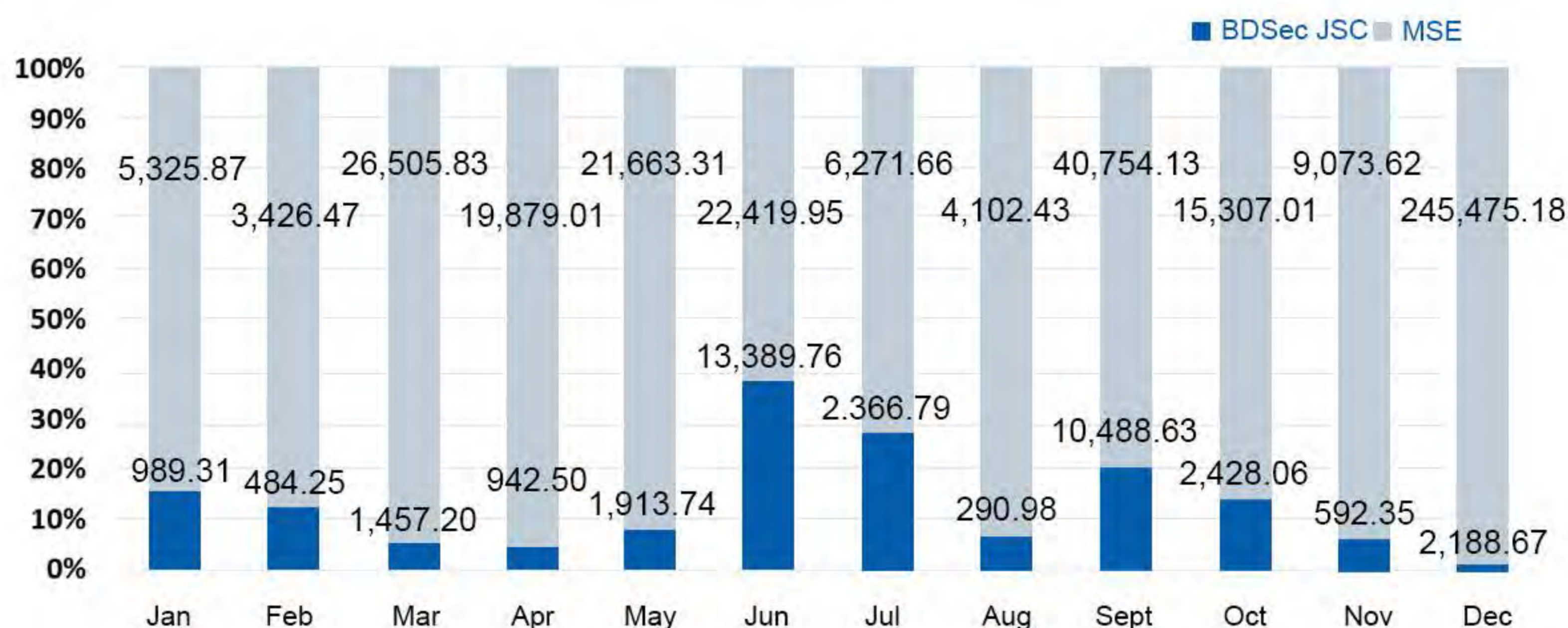
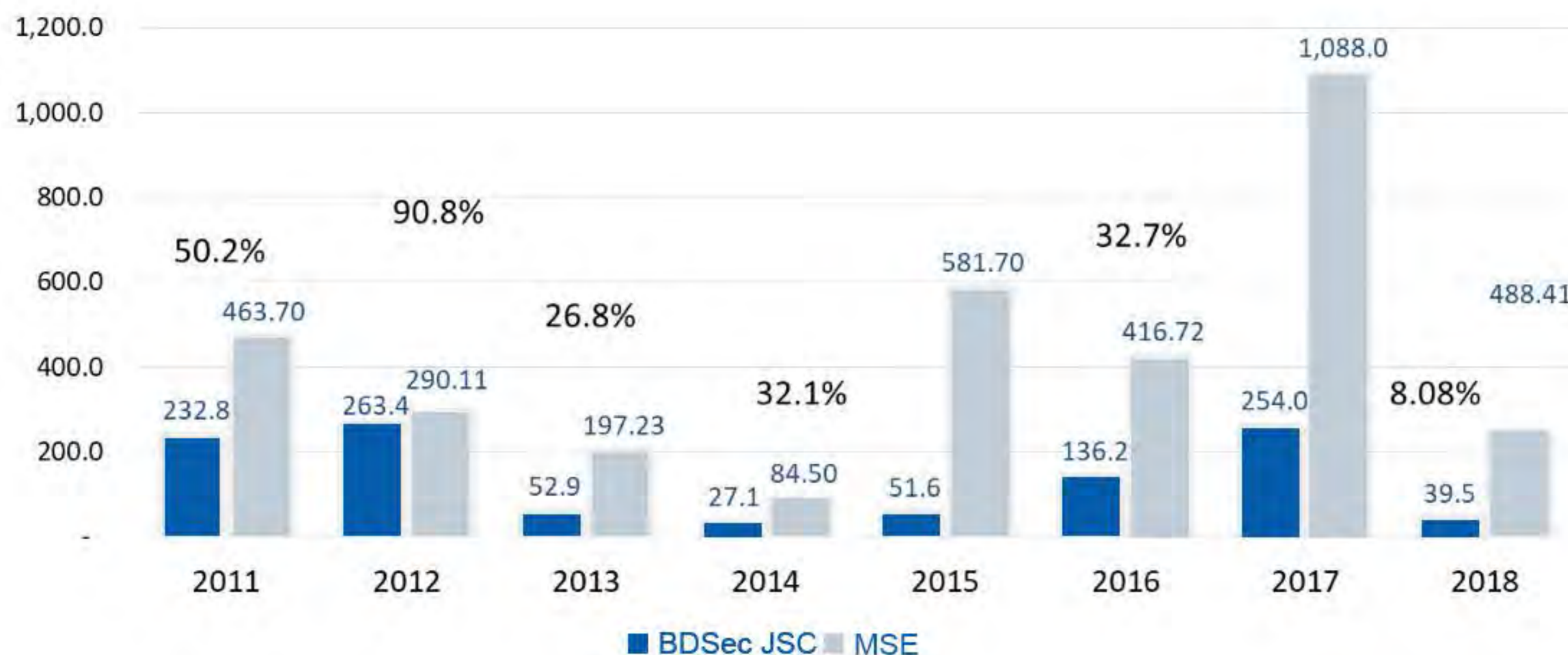
Introduced online brokerage service

Awarded with "THE BEST UNDERWRITING COMPANY" and "THE BEST BROKERAGE COMPANY" of 2014-2018 from the GRAND BULL AWARDS - 2018



TOTAL TRADE AMOUNT

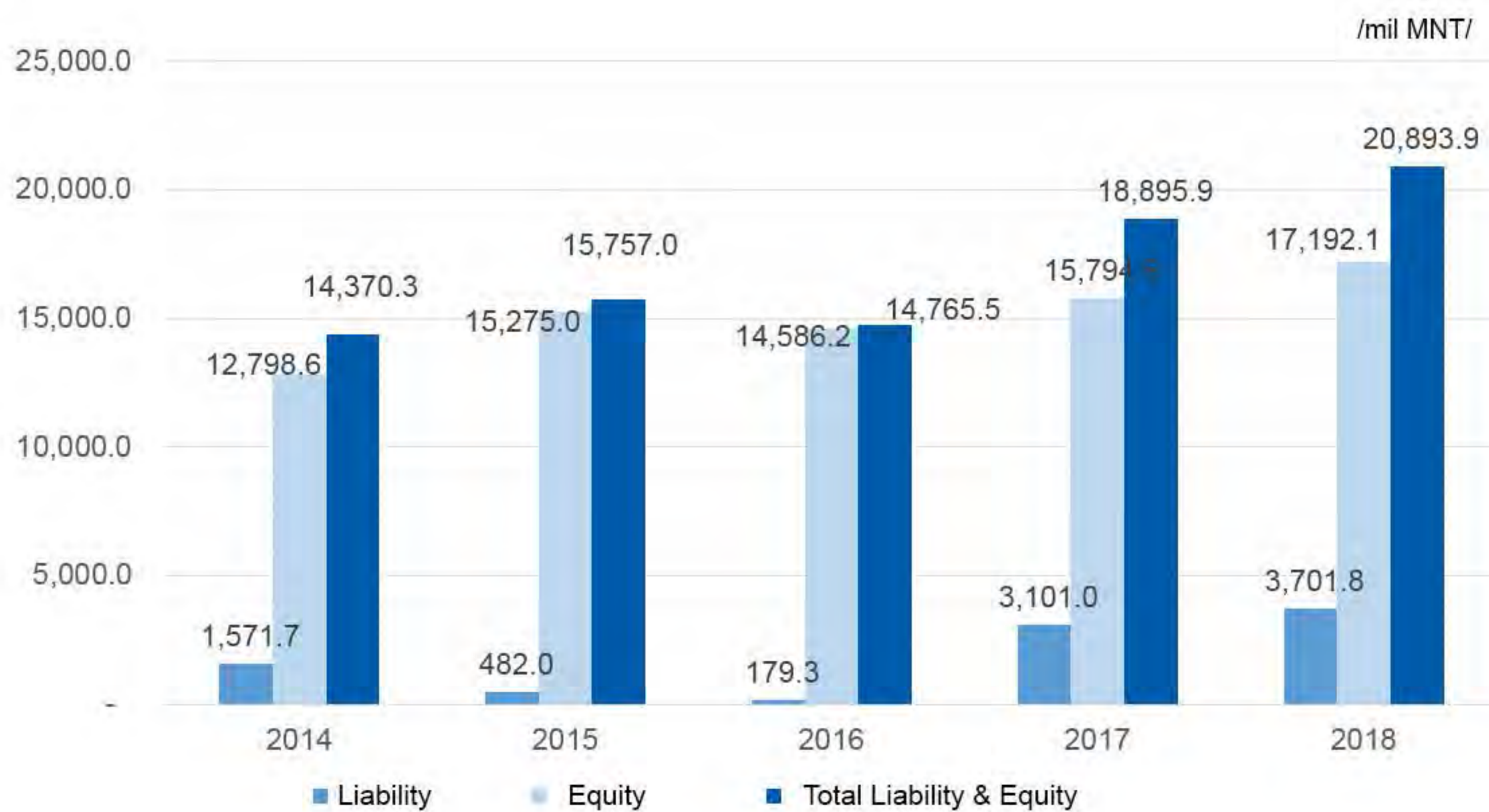
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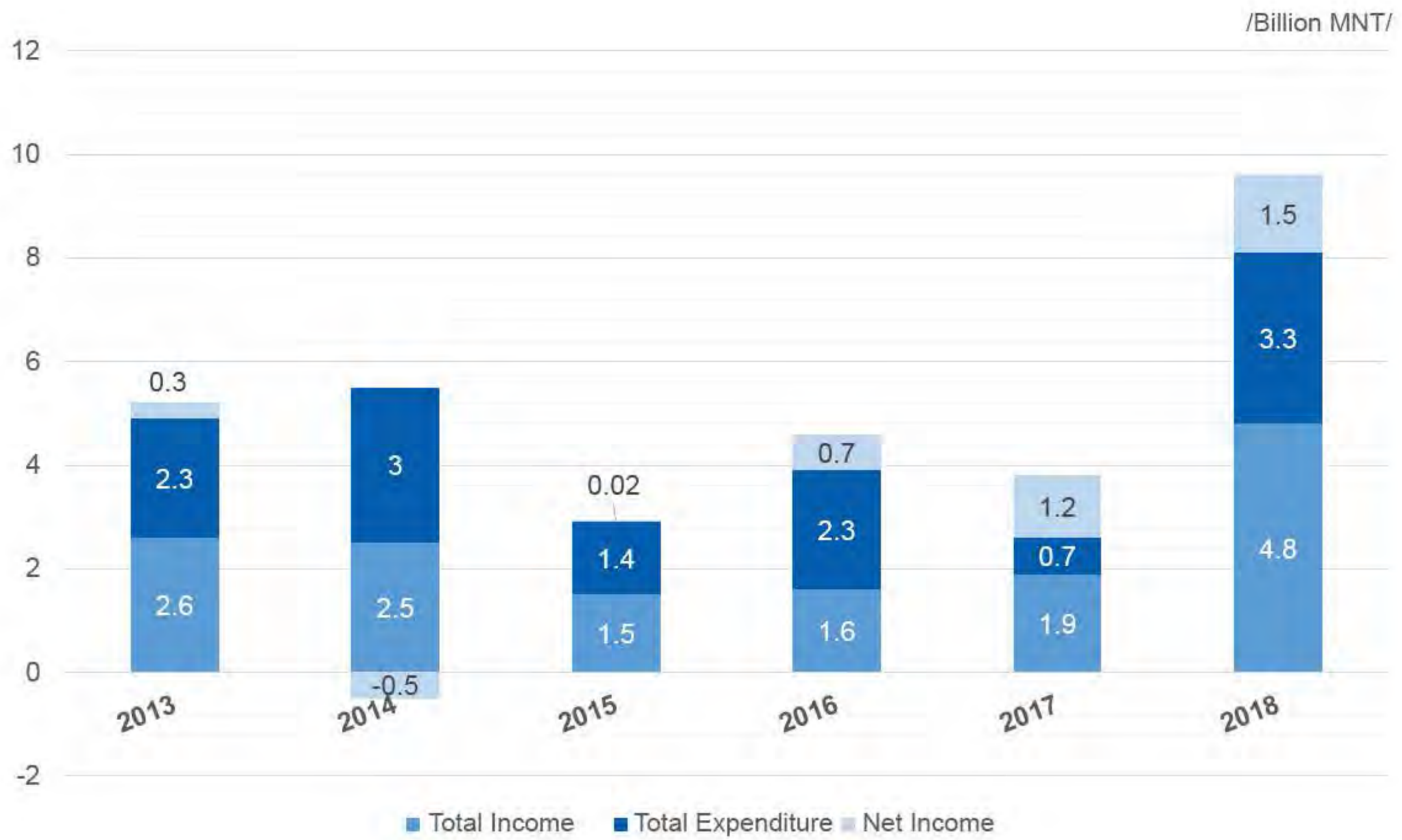
TOTAL ASSET



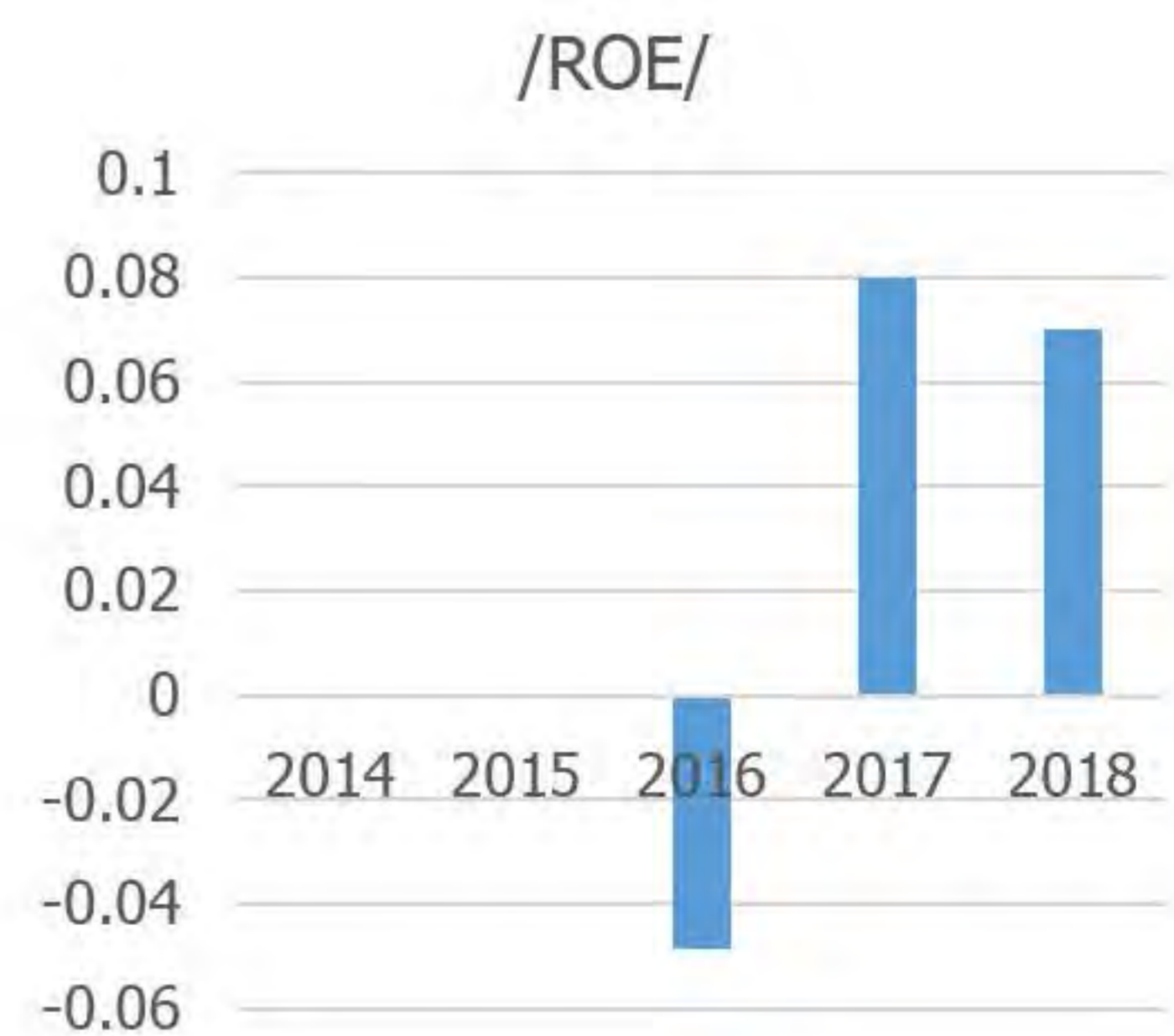
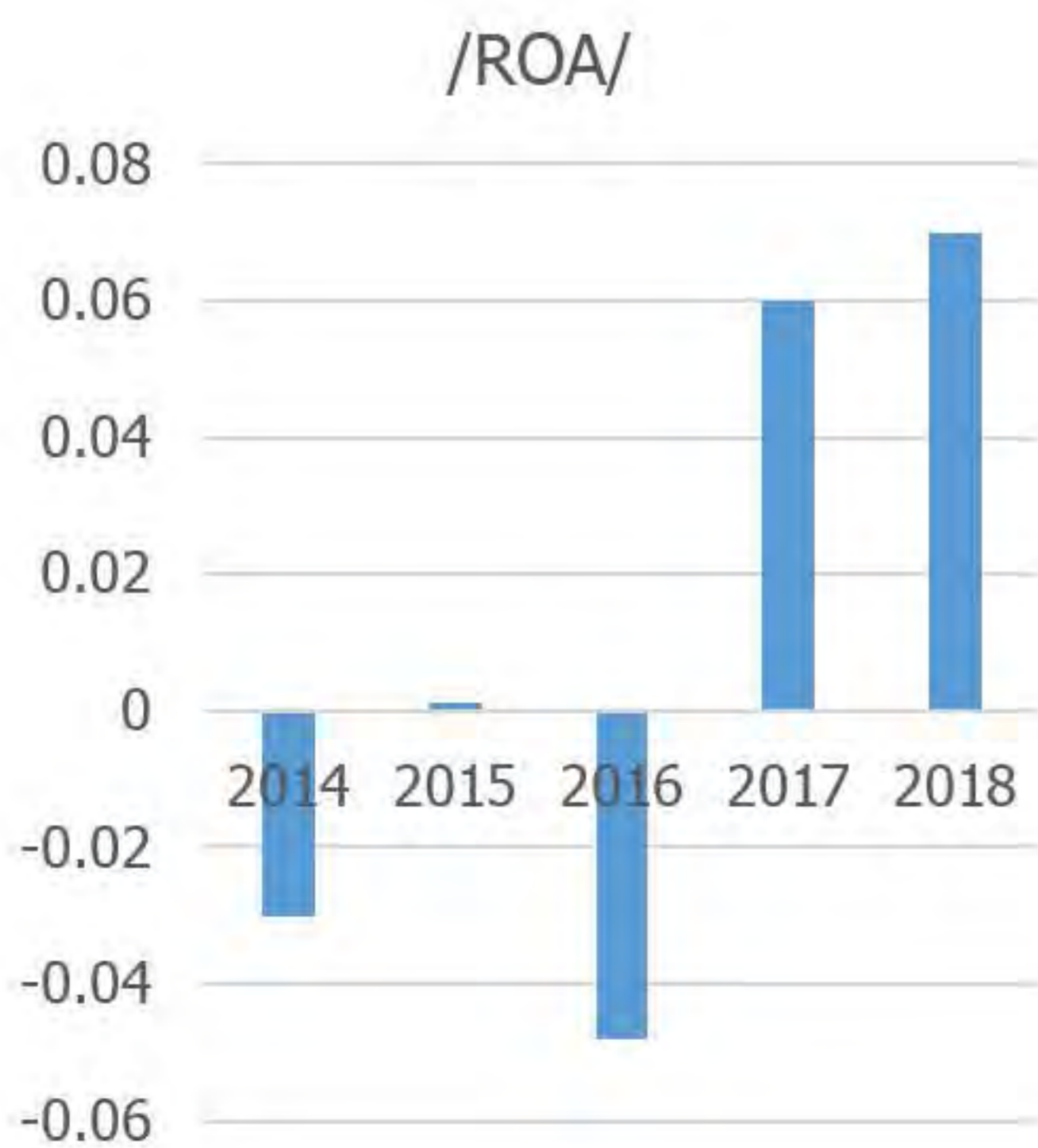
DEBT & EQUITY



INCOME



FINANCIAL RATIOS



AUDIT STATEMENT



Amarsanaa street-5, Bayangol district
Ulaanbaatar-16066, Mongolia
Phones: 70005401, 70005404, 70005405
Fax: +976-70005403
E-mail: mfo@dalaivanaudit.mn
Web site: www.dalaivanaudit.mn

INDEPENDENT AUDITOR'S REPORT

TO: THE SHAREHOLDERS OF BDSEC JSC

Unqualified opinion

We have audited the consolidated financial statements of BDSEC JSC which comprise the statements of financial position as at December 31, 2018, the statements of profit or loss and other comprehensive income, the statements of changes in equity, the statements of cash flow for the year then ended and the notes to the financial statements including highly significant accounting policies of BDSEC JSC and its subsidiary BDSEP LLC.

In our opinion, under the consideration that if the issues reported in the unqualified opinion basis may not affect the financial statements, the statement of financial position, profit or loss and other comprehensive income, changes in equity and cash flow of BDSEC JSC as at December 31, 2018 present fairly and are, in all material respects, in compliance with the International Financial Reporting Standards and the regulations and guidelines issued by the Ministry of Finance and the Financial Regulatory Commission of Mongolia.

Unqualified opinion basis

The company's trade and non-trade receivable of 484,982,400MNT from DARKHAN KHOVON JSC has not been repaid over last 7 years, and it has still been unclear whether any repayment attempt would be made in the future. The company still did not make assessment on the repayment condition of the receivable and whether there is any impairment on this receivable. Auditors could not measure the fair value of this receivable and make adjustment by performing additional audit procedures.

The investment with carrying value of 400,000,000MNT from BDSEP LLC for BDSEC JSC was reported as financial assets measured at fair value through profit or loss. In order to prepare the consolidated financial statements, the company did not follow the consolidation procedure for this investment and therefore it caused the increase in the financial assets measured at fair value through profit or loss and the balance of owner's equity of the consolidated financial statements by above amount.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(continued)**Audit key issues**

We declare that there is no any audit issues in respect of materials from the auditors opinion.

Other information

The company prepares the operational statement for the year after receiving the audited consolidated financial statements and provides them to the shareholders' meeting. The management confirmed to deliver the subsequent financial statements after the receiving the audited consolidated financial statements, therefore, during the audit, we do not need to report over other information.

The responsibilities of the management and governing management for the financial statements

The management is responsible for preparation and fair presentation of financial statements in accordance with the IFRS, whereas these responsibilities include identifying the internal control relevant to the preparation and fair presentation of financial statements that are free from fraud and error incurred from material misstatement.

The management is responsible for conducting the operations in accordance with the principle of continuous financial statement preparation based on going concern and constantly evaluating the company's ability management financial statements, except the cases of insolvency, or ceasing its activities, and to have to disclose additional clarification relevant to continuity of the accounting basis used for accounting.

Corporate governance is responsible for supervision of the financial reporting process.

Auditor's responsibility in financial statement audit

Our goal is to prepare the auditor's report indicating our opinion with assurance that financial statements in whole that are free from fraud and error incurred from material misstatement. Most reasonable assurance is highest guarantee with high level of assurance, but it does not detect all misstatements upon audit conducted in accordance with ISA. If it is considered that error or fraud is in substantial amount, then it may influence the economic decisions of users of financial statements.

According to ISA, we had a professional skeptical approach throughout the audit. And we have performed the following tasks:

- We have assessed whether the financial statements have material misstatement incurred from fraud or error, undertaken audit procedures to determine its response, obtained sufficient appropriate audit evidence as basis for opinion. An alleged conspiracy to forging operations, and deliberate neglect, ignorance of internal controls has risks of not detecting material misstatements and misreporting, instead of one error.

INDEPENDENT AUDITOR'S REPORT
(continued)

- In order to develop appropriate audit procedures we have gained an understanding of the company's internal control system, but we have no intention to evaluate the effectiveness of internal control.
- We have assessed the appropriateness of the Company's accounting policies and accounting estimates and disclosures used.
- If the company is going concern has a material uncertainty, then we will focus on in the relevant disclosure of financial statements. If this is enough to mention the relevant disclosures, we shall change our opinions. Our audit report related to the audit findings based on evidence until the date of the auditor's report. Therefore, their ability to influence the situation on a going concern basis the company may arise in the future.
- We reviewed the entire structure, content, presentation and disclosure of the consolidated financial statements and assessed the the accuracy of transactions and events financial statement presentation.
- In order to make opinion for the consolidated financial statements, we have obtained significant and sufficient audit evidence regarding the financial information of the business and operations of the company and its subsidiaries.

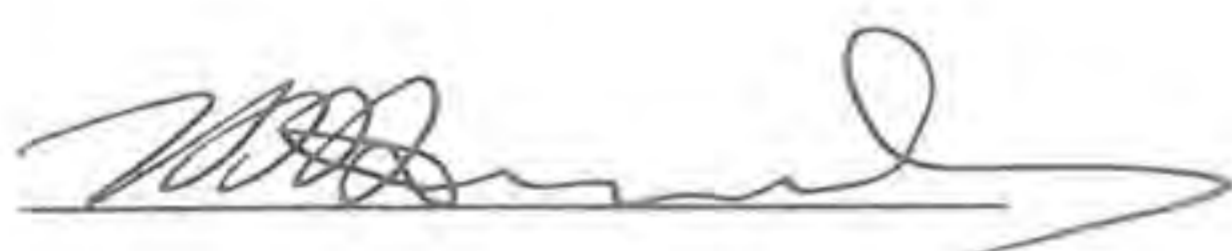
We had communicated with the governing management in regard of the audit scope, timing, and other related issues, and in addition to significant and important issues during the audit and the internal control weaknesses observed during the audit.

And we have notified governing management with the relevant ethical requirements regarding independence of the auditor, and discussed any relationships that may affect our independence, and possibilities of preventive measures, and other issues.

We have identified most important audit issues that are considered as most important and communicated with the governing management . We have shown in the auditor's report most important key issues, since public disclosure may result the negative consequences these foreseen by laws, and we have states these in the auditor's report.

Other

This report is intended only for the shareholders of BDSEC JSC in accordance with Article 94 of the Law on company and we shall not be liable to any third party in regard of this report framework.



DALAIWAN AUDIT LLC
ULAANBAATAR
MONGOLIA

FEBRUARY 19, 2019

"BDSEC" JSC
Consolidated financial statements as at December 31, 2018

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2018

/All amounts in MNT thousands/

<u>ITEMS</u>	<u>Notes</u>	<u>2018.12.31</u>	<u>2017.12.31</u>
ASSETS			
Current assets			
Cash and cash equivalents	5.1	63,771.2	2,015,230.3
Financial assets measured at fair value through profit or loss	5.2	13,674,753.3	9,287,794.8
Financial assets measured at fair value through other comprehensive income	5.6	506,732.9	778,166.2
Trade and non-trade receivables	5.3	1,733,787.6	1,406,739.3
Total current assets		15,979,045.0	13,487,930.6
Non-current assets			
Property, plant and equipment – net	5.4	4,801,467.3	5,291,082.5
Intangible assets – net	5.5	18,106.9	17,825.8
Investments as equities in subsidiaries	5.8	1,000.0	1,000.0
Long-term receivables	5.7	53,284.0	98,259.7
Total non-current assets		4,873,858.2	5,408,168.0
TOTAL ASSETS		20,852,903.2	18,896,098.6
LIABILITIES			
Short-term liabilities			
Trade and non-trade payables	5.9	331,154.0	2,229,198.1
Short-term loans from banks	5.10	861,312.8	668,308.1
Income tax payables	5.12	169,180.7	73,235.6
Other tax and fee payables	5.12	83,553.6	74,371.9
Interest payables	5.11	17,485.0	6,417.2
Unearned revenue	5.13	242.2	160,000.0
Total short-term liabilities		1,462,928.3	3,211,530.9
Long-term liabilities			
Long-term loans from banks	5.10	2,197,824.6	-
Total long-term liabilities		2,197,824.6	-
Total liabilities		3,660,752.9	3,211,530.9
EQUITY			
Share capital	5.14	9,326,797.6	9,326,797.6
Revaluation surplus	5.14	3,824,524.4	3,824,524.4
Retained earnings	5.14	4,040,828.3	2,533,245.7
Total equity		17,192,150.3	15,684,567.7
TOTAL LIABILITIES AND EQUITY		20,852,903.2	18,896,098.6

"BDSEC" JSC
 Consolidated financial statements as at December 31, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at December 31, 2018

<u>Items</u>	<u>Share capital</u>	<u>Paid-in capital</u>	<u>Revaluation reserve</u>	<u>Unrealized gain (loss) on fair value of securities</u>	/All amount in MNT thousands/	
					<u>Retained earnings</u>	<u>Total equity</u>
Balance at 31 December 2016	1,369,488.3	7,957,309.3	3,824,524.4	-	1,434,892.1	14,586,214.1
Issued stocks						
Treasury stocks						
Paid-in capital						
Revaluation surplus						
Gain (loss) not reported in income statement						
Issued dividends						
Net profit for the year					1,098,353.6	1,098,353.6
Adjustments						
Balance at 31 December 2017	1,369,488.3	7,957,309.3	3,824,524.4	-	2,533,245.7	15,684,567.7
Issued stocks						
Treasury stocks						
Paid-in capital						
Revaluation surplus						
Gain (loss) not reported in income statement						
Issued dividends						
Net profit for the year					1,510,787.3	1,510,787.3
Adjustments					(3,204.7)	(3,204.7)
Balance at 31 December 2018	1,369,488.3	7,957,309.3	3,824,524.4	-	4,040,828.3	17,192,150.3

“BDSEC” JSC
Consolidated financial statements as at December 31, 2018

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

As at December 31, 2018

ITEMS	Notes	/All amounts in MNT thousands/	
		2018.12.31	2017.12.31
Primary operating revenue	5.15	4,868,545.2	2,106,342.7
Other operating revenue	5.16	132,217.9	136,400.6
Operating expense	5.17	(3,563,652.6)	(1,769,352.4)
Operating profit (loss)		1,437,110.5	473,390.9
Finance income	5.18	481,058.9	758,591.5
Finance expense	5.18	(438,991.8)	(177,927.5)
Dividends from subsidiaries	5.19	116,445.9	141,898.8
Non-operating income (expense)	5.20	95,944.1	(17,445.3)
Profit (loss) before tax		1,691,567.6	1,178,508.4
Income tax expense	5.21	180,780.3	(80,154.8)
Profit (loss) after tax – net		1,510,787.3	1,098,353.6
Other comprehensive income:			
Items that are not reclassified as profit or loss:			
Revaluation surplus		-	-
Items that are reclassified as profit or loss:			
Unrealized gain (loss) on short-term investments		-	-
Deferred tax from unrealized gain		-	-
Other comprehensive income		-	-
Total comprehensive income (expense)		1,510,787.3	1,098,353.6
Earnings per share			
Base (MNT)	5.22	110.3	80.2

"BDSEC" JSC
Consolidated financial statements as at December 31, 2018

CONSOLIDATED STATEMENT OF CASH FLOW

As at December 31, 2018

ITEMS	/All amounts in MNT thousands/	
	2018.12.31	2017.12.31
CASH FLOWS FROM OPERATING ACTIVITIES		
<i>Total cash income</i>	8,753,642.9	11,602,772.8
Revenue from sales and services rendered	8,752,694.4	2,242,501.2
Revenue from royalties fee and commission		-
Insurance claims		-
Other revenue	948.5	9,360,271.6
<i>Total cash expense</i>	14,052,493.8	12,858,109.1
Expense from acquisition of financial assets	9,549,946.4	4,268,853.5
Expense paid to employees	557,680.2	443,898.8
Social insurance fee expense	136,073.1	81,852.0
Raw materials and supply materials expense	61,088.2	29,550.1
Utility expense	25,573.2	48,196.7
Fuel and spare parts cost	21,131.1	38,664.9
Interest expense	261,610.6	14,433.1
Tax expense	203,366.0	55,770.7
Fee expense	99,184.6	54,465.0
Insurance expense	2,707.8	-
Other cash expense	3,134,132.6	7,822,424.3
<i>Cash flows from operating activities - net</i>	(5,298,850.9)	(1,255,336.3)
CASH FLOWS FROM INVESTING ACTIVITIES		
<i>Total cash income</i>	1,911,557.9	2,516,832.9
Proceeds from sale of property, plant and equipment	501,600.0	
Proceeds from sale of intangible assets		
Interest received	271,203.0	
Proceeds from sale of long-term assets		2,247,592.9
Repayment of loans from borrowers	1,138,754.9	269,240.0
<i>Total cash expense</i>	1,221,507.2	17,525.3
Acquisition of property, plant and equipment	24,336.2	17,525.3
Acquisition of long-term assets		
Loans to borrowers	1,197,171.0	
<i>Cash flows from investing activities - net</i>	690,050.7	2,499,307.6
CASH FLOWS FROM FINANCING ACTIVITIES		
<i>Total cash income</i>	7,668,520.5	3,101,160.5
Repayment of loans from borrowers and bonds issued	7,654,684.5	3,061,394.3
Other cash income	13,836.0	39,766.2
<i>Total cash expense</i>	5,011,769.6	2,486,558.5
Loans borrowed and acquisition of bonds	5,011,769.6	2,486,558.5
Issued dividends		-
<i>Cash flows from financing activities - net</i>	2,656,750.9	614,602.0
Change in currency exchange rate	590.1	(9,655.3)
TOTAL CASH FLOWS	(1,951,459.1)	1,848,918.0
<i>Cash and cash equivalents at 1 January</i>	2,015,230.3	166,312.2
<i>Cash and cash equivalents at 31 December</i>	63,771.2	2,015,230.3

Zaluuchuud Avenue 27/1, 8th Khoroo, Sukhbaatar
District, Ulaanbaatar City, Mongolia

Phone: +976 7555 1919,
E-mail: info@bdsec.mn

