

ARD САНХҮҮГИЙН
НЭГДЭЛ

Хөгжлийн
Хүч

Stronger. Together.

MISSION

Optimize investment returns by maintaining a balanced view on profits and risks.

FINTECH BANK

Digital

SUSTAIN

VISION

We will strive to become an approved financial services group with a proprietary technology in the region.

ABLE GROWTH

Integrated

ALL-IN-ONE

Branchless

Principles

Uphold the right of shareholders;

Formulate and uphold the highest standards of ethics.
Meticulously comply with all laws and regulations;

Strive to maintain a healthy balance between risk and return;

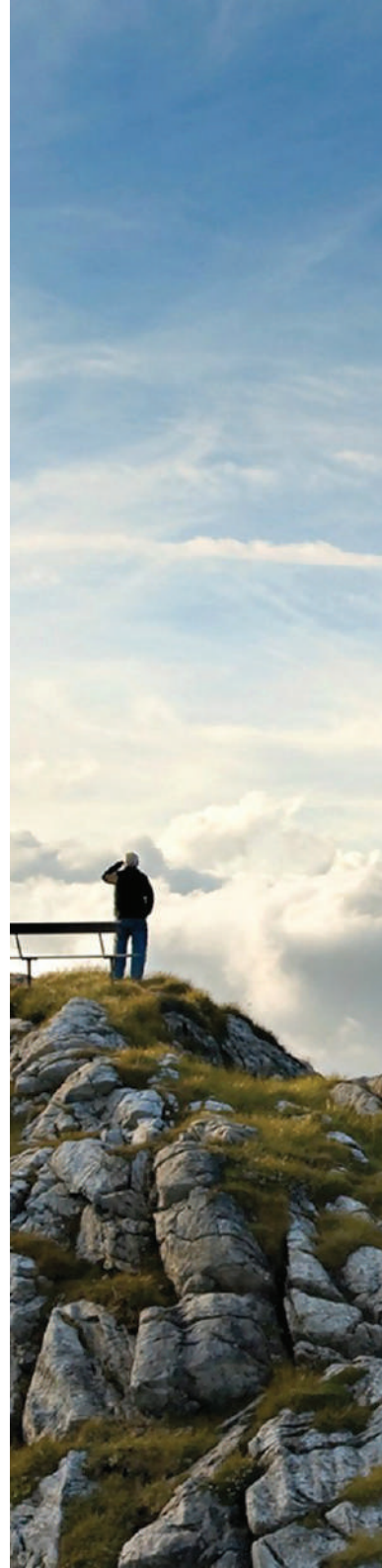
Implement and adhere to the best practices of corporate governance and maintain transparency of operations at all levels of the organization;

Adopt an open and exile mindset, stay alert to changes in the market, and develop a capacity for rapid execution;

All companies in the Group lead in their respective markets and innovate continuously;

All companies in the Group will strive to maintain highest levels of customer service and satisfaction;

We will assemble the most powerful, professional and lean teams throughout the Group and entry level bar will be set high for job applicants. Requirements for the job holder will be stringent and individual accountability will be strictly enforced;





Strengths

Financial services group with a unique market position;

Transparency of operations, good governance, and proven management;

Innovator in the financial sector;

Unique infrastructure in the nation;

Ready to capitalize on the opportunities presented by the market;

Well-known brand – Investor Nation;

Consistent delivery of high returns on investments;

MILESTONES



ARD LIFE COMPANY

Established MTND, first private pension fund in Mongolia, now Ard Life.

2009

2007

EIT, an employee investment fund, was established by XacBank founder.

eit[®]
EMPLOYEE INVESTMENT TRUST

Acquired Monet Capital, a brokerage company, now Ard Securities.

ARD SECURITIES COMPANY

ARD FINANCIAL GROUP

EIT changed its strategy and branding, becoming Ard Financial Group, and invested in Ard Insurance and Ard Credit.



Acquired Jinst-Uvs, a listed company at MSE, for reverse takeover.

2013

2014

Established Ard Assets, savings and loan cooperative.

2015

2016

Started crowdfunding campaign - Investor Nation.

Invested in Mongol Post through its privatization.



Digital Banking

Ard Insurance IPO
Digital Banking launch.

2017

Investor Nation was listed on MSE through RTO.

2018

2019

Ard Credit IPO on MSE.



ASSETS
SCC

Board of Directors



Chairman of the Board,
Ard Financial Group
BATBAYAR Purevjargal

Ordinary Board Members



CEO,
Ard Financial Group
GANHUYAG Chuluun



Non-Executive Vice Chairman,
Schroder AdvEq
BRUNO Raschle



CEO,
Hishig Arvin Industrial
BATHISHIG Hishigdorj



CEO,
Mon-International
ODBAYAR Odonchimeg

Independent Board Members



Founder,
GrapeCity Mongolia
SUHDORJ Avir



President,
IET
SERGELEN Munh-Ochir



Chairman of Supervisory Board,
Green Leaf Capital
MIKHAIL Zeldovich



President,
SouthGobi Sands
MUNHBAT Chuluun



Chairman of the Board,
Asian Credit Fund
JAMES Anderson

Shareholders' Structure

Shareholders

as of Q1 2019

	Shares	% of total shares
1. EIT	1,952,556	11.36%
2. Ard Bit	1,841,902	10.71%
3. BATHISHIG Hishigdorj	1,695,434	9.86%
4. BRUNO Raschle	1,323,903	7.70%
5. Jinst-Uvs (Investor Nation)	889,125	5.17%
6. UYANGA Galnyam	841,682	4.90%
7. CryptoNation	780,107	4.54%
8. GANHUYAG Chuluun	759,958	4.42%
9. Ard Securities	584,461	3.40%
10. GEREL TUYA Sedbazar	469,341	2.73%
11. Ard Life	415,941	2.42%
12. SUHDORJ Avir	335,859	1.95%
13. Aravt Bit	333,662	1.94%
14. Ronoc Limited	305,697	1.78%
15. SORONZONBOLD Lhagvasuren	280,450	1.63%
Top 15 shareholders	12,810,078	74.50%
Other shareholders	4,384,286	25.50%
Total outstanding share	17,194,364	100.00%

Investment Portfolio

Financial

Crypto



66.70%



100%



100%



9.90%



60.53%



60%



100%



100%



30%

IT



100%



40%

Infrastructure



25.20%
1.40%



1.00%
13.00%



20%



100%

 **Ard Financial Group**
 **Affiliated entities**

Ard Insurance

General Insurance

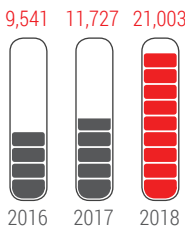
Ard Insurance is the first private insurance company, and one of the leading general insurers and innovators in Mongolia.

1994	First private insurance company in Mongolia
2004	First insurance company received foreign investment
2011	First merger in Insurance sector, merging with Grand Insurance
2013	Ard Financial Group invested into the company
2018	Offered 30 percent of the company to the public and raised MNT5.25 Billion

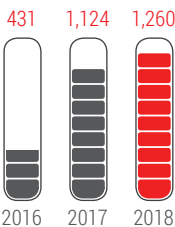
IPO

Stock market	MSE
Ticker	AIC
Percentage offered	30 percent
Designated amount	MNT5.25 billion
Amount raised	MNT6.95 billion
Oversubscription	32.5 percent

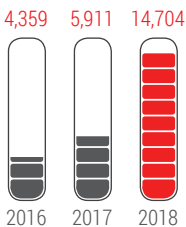
Total assets (MNT million)



Net Profit (MNT million)



Investment Portfolio (MNT million)



Ard Credit

Non-Bank Financial Institution

Ard Credit is a publicly listed non-bank finance company, licensed by the FRC. It is a flagship of Ard Financial Group – a full-service financial holding company. Ard Credit was set up in April 2011 with the goal of providing access to inclusive financial services to Mongolians by leveraging the potential of innovative technologies.

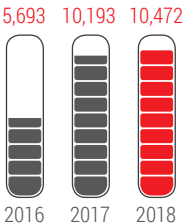
Q1 2018 Launched first version of Digital Banking with functions to make all types of transactions and payments.

Q1 2019 Launched second version, introducing new features such as self-enrollment, online loan, etc.

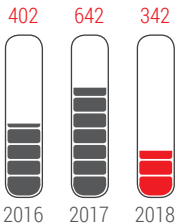
IPO

Stock market	MSE
Ticker	ADB
Float	25 percent
Amount raised	MNT5.34 billion
Use of proceeds	Financing of “Digital Banking”

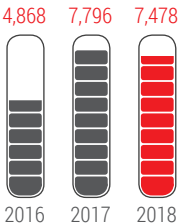
Total assets (MNT million)



Net Profit (MNT million)



Loan Portfolio (MNT million)



Ard Securities

Brokerage, Dealer, Underwriter

Ard Securities is a leading investment banking services company, which offers brokerage, financial advisory and underwriting services.

Online trading

Launched online trading platform for primary market on MSE
Connection to secondary market on MSE is being tested.

Underwriter



Worth of commercial papers were underwritten in 2017 and 2018

Education

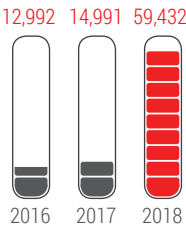


Weekly financial workshops

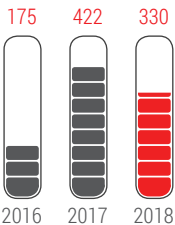


Daily news on economy and financial market related topics

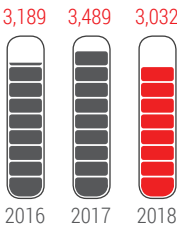
Customers



Net Profit (MNT million)



Total assets (MNT million)



Ard Life

Pension Fund

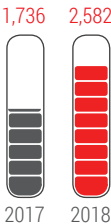
Established in 2007, Ard Life is the first private pension fund in Mongolia.

2018 highlights

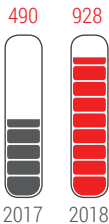
Customers can now manage their retirement savings accounts directly from Ard App.



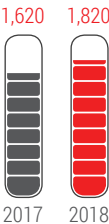
Total assets (MNT million)



Investment Portfolio (MNT million)



Retained Earnings (MNT million)

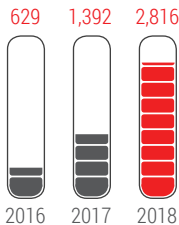


Ard Assets

Savings and Loan Cooperative

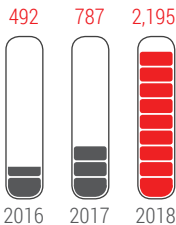
Ard Assets was established in 2008 as a Savings and Credit Cooperative. Currently, Ard Assets has 1,120 members and provides credit and deposit services to the members.

Total assets (MNT million)



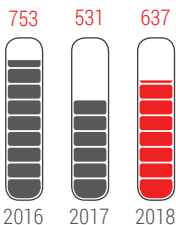
+102%

Loan Portfolio (MNT million)



+176%

Members

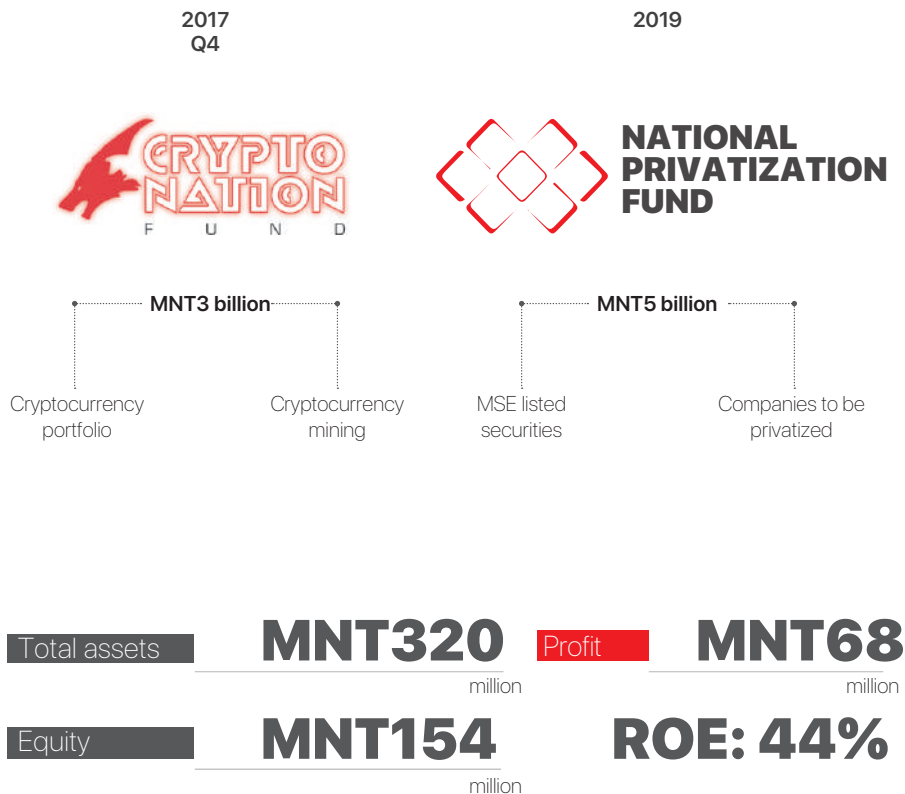


+20%

Ard Management

Asset Management

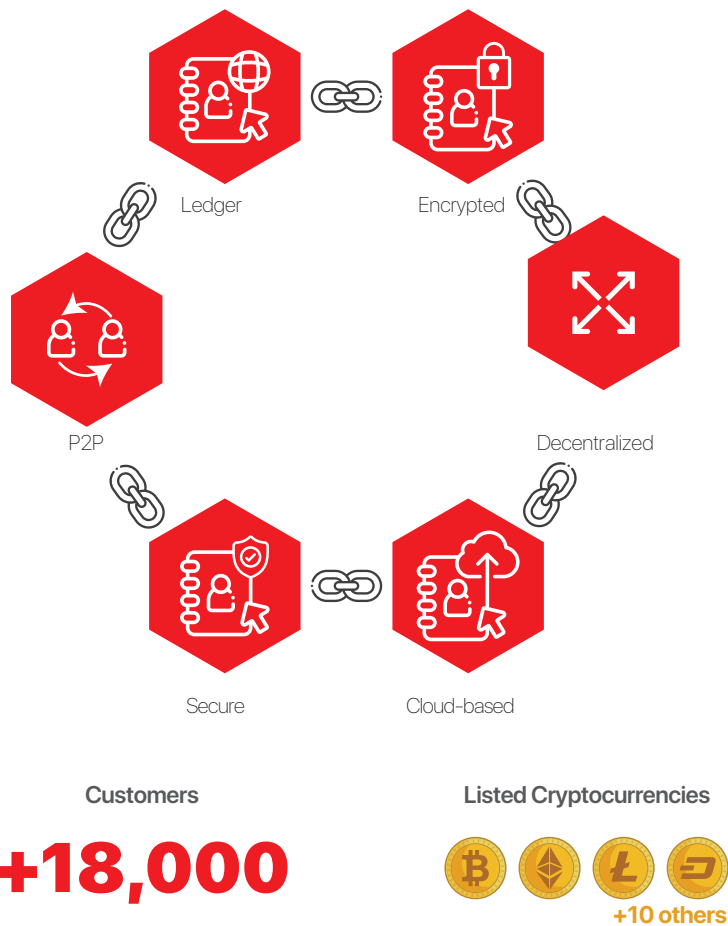
Ard Management is an investment management company, licensed by the FRC.



TRADE.mn

Blockchain-based exchange platform

Digital Exchange Mongolia or Trade.mn is Mongolia's first and only cryptocurrency exchange platform. It aims to connect the Mongolian public with the opportunities of cryptocurrency trading.



Ard Bit

Cryptocurrency SPV

Ard Bit is the cryptocurrency arm of Ard Holdings. The company successfully introduced Mongolia's first blockchain-based loyalty coin - ArdCoin (ARDX) to the market.

2018

**GoPay
Wallet**

Invested into cryptocurrency HD wallet - GoPay.



Crypto wallet
connected to ShapeShift



Crypto-related
news and research



Loan secured with
Bitcoin collateral

2019



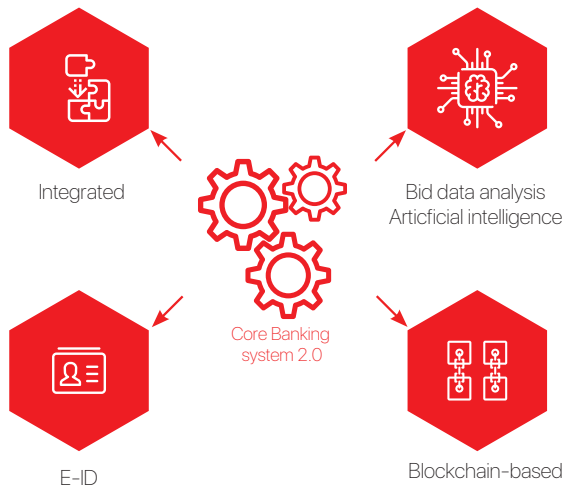
ArdCoin loyalty points were issued
for rebate and referral programs to
our customers.

TenGer Systems

IT Company

TenGer Systems is an IT company that provides technical support and implements IT solutions to our companies. The company also focuses on blockchain technology.

Goal



Developed **ARD** Application



Founded and trained
20 students



Developed EIT Exchange
Ethereum-based

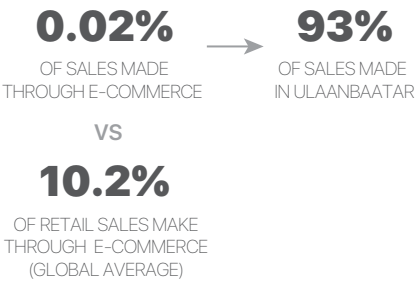
Ard Shop

E-Commerce platform

Ard Shop is Mongolia's first online marketplace platform with its own mobile applications for both iOS and Android systems. Products on ArdShop.mn are delivered to 21 provinces of Mongolia by Mongol Post.



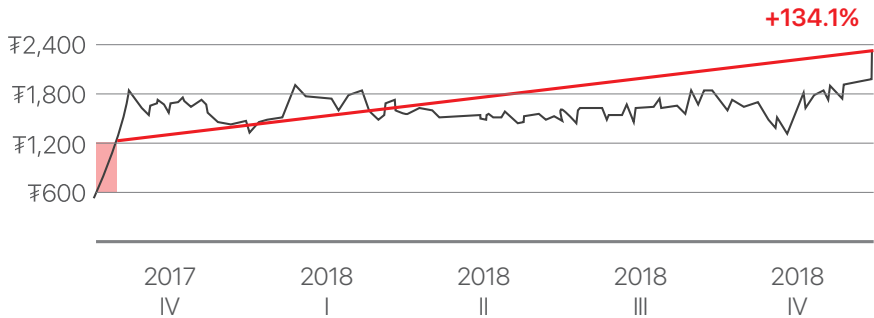
Retail sales (MNT trillion)



Investor Nation

Listed SPV for Reverse Takeover

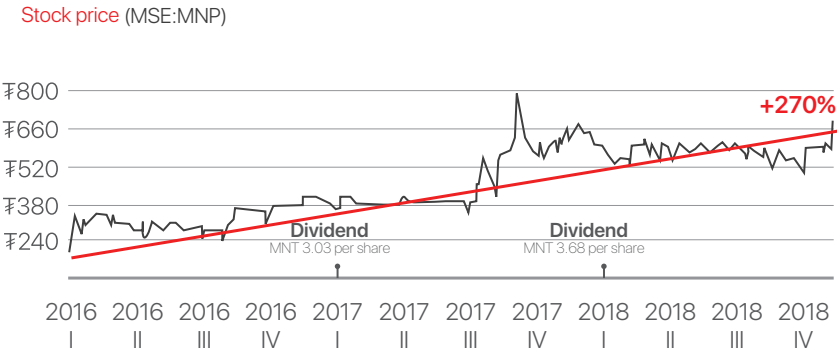
Stock price (MSE:JIV)



Mongol Post

Postal Company

Mongol Post, operating since 1921, is the largest infrastructure in Mongolia.



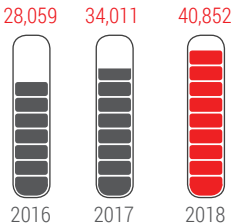
Biggest infrastructure



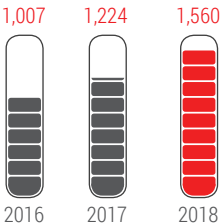
Special licenses



Total assets (MNT million)



Net Profit (MNT million)



Facts

15

companies

₹66

billion in assets

₹57

billion - valuation

6

special licenses

₹49

billion as investment

330x

growth in 15 years

4

public companies

₹54

billion in equity

1.05

price-to-book ratio

(as of Q1 2019)

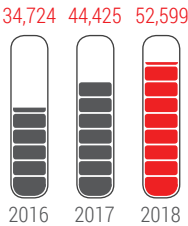


1,506 53%	Shareholders	1,358 47%
70,766 56%	Customers	56,429 44%
12,367 29%	Insurance policy holders	30,419 71%
7,987 63%	Borrowers	4,783 37%
33,125 53%	Brokerage account holders	29,419 47%

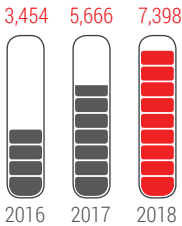


Key numbers

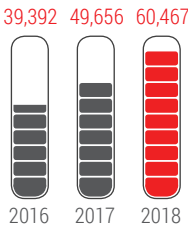
Total valuation (MNT million)



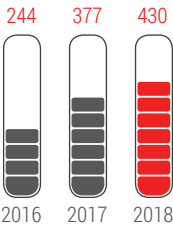
Total gain (MNT million)



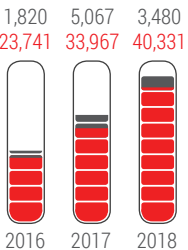
Total assets (MNT million)



EPS (MNT)



Investment portfolio (MNT million)



Strategic
Tactical

Financials

Income Statement (MNT million)

	2016	2017	2018
Total Revenue	2,669	3,951	5,088
Total Expenditure	1,823	2,732	4,200
Other gain (loss)	0	-88	42
Profit before tax	846	1,131	930
Income tax	100	107	117
Net Profit	746	1,024	813
Revaluation gain	2,708	4,642	5,711
Comprehensive income	3,454	5,666	6,524

Balance Sheet (MNT million)

	2016	2017	2018
Current Assets	10,136	8,441	11,125
Non-current Assets	29,256	41,215	49,278
Total Assets	39,392	49,656	60,403
Current Liability	1,594	1,390	2,149
Non-Current Liability	352	5,124	7,610
Total Liability	1,946	6,544	9,759
Total Equity	37,446	43,112	50,644

Valuation

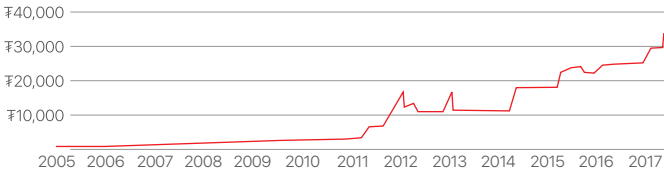
(MNT million)	2016	2017	2018	2019	Ownership
Strategic investments	23,798	33,985	40,331	46,129	
Mongol Post (MNP)	9,681	16,065	16,334	14,541	25.20%
Investor Nation (JIV)	162	295	23	21	1.00%
Ard Insurance (AIC)	7,689	9,528	12,928	11,738	66.70%
Ard Credit (ADB)	3,818	4,558	5,028	13,810	60.53%
Ard Securities	2,116	2,126	2,305	2,305	100.00%
Ard Management	100	100	365	365	100.00%
Ard Assets	13	29	48	48	9.90%
Ard Life	10	1,010	2,426	2,426	100.00%
Ard Bit (incl. GoPay)			200	200	100.00%
TenGer Systems (incl. Trade.mn)	199	274	674	674	100.00%
Tactical investments	2,077	5,341	3,480	3,480	
Nomyn Hishig	1,780	1,780	1,780	1,780	20.00%
IET	0	2,337	750	750	3.98%
CryptoNation Fund	0	950	950	950	32.40%
Other	98				
Other	9,048	5,373	8,788	7,266	
Short-term investments	8,304	1,310	4,480	5,111	
Fixed asset	796	873	987	768	
Cash	166	689	21	16	
Net receivable	-864	2,500	3,300	1,372	
Gain	716				
Total valuation	34,923	44,698	52,599	56,875	
Outstanding shares	14,151,451	15,033,874	17,194,364	17,194,364	
Value per share	2,454	2,973	3,059	3,308	

Value Growth

Ard Financial Group stock price (with split)



Ard Financial Group stock price (adjusted to split)



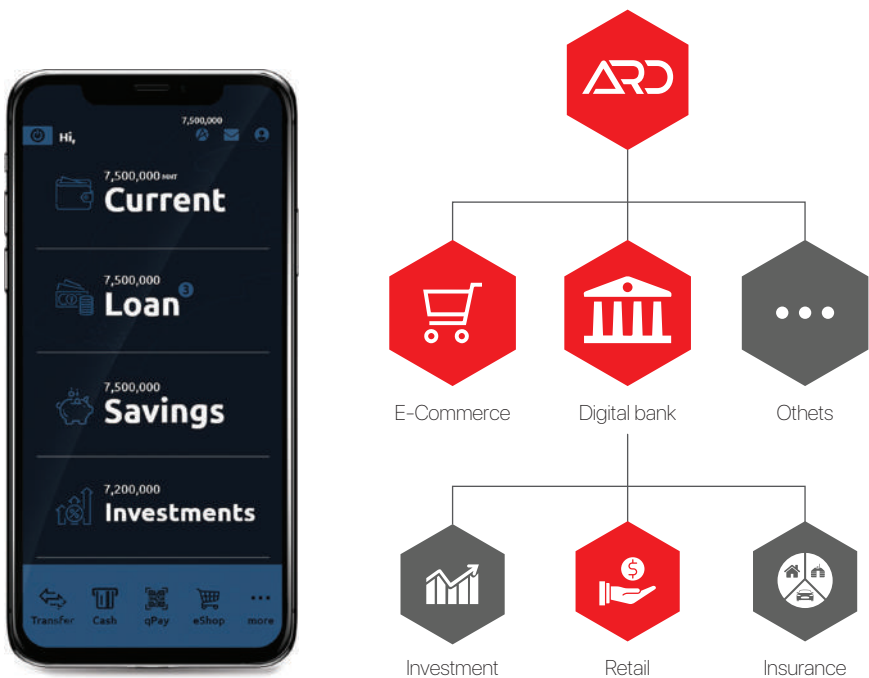
MNT5 million

+33,530%

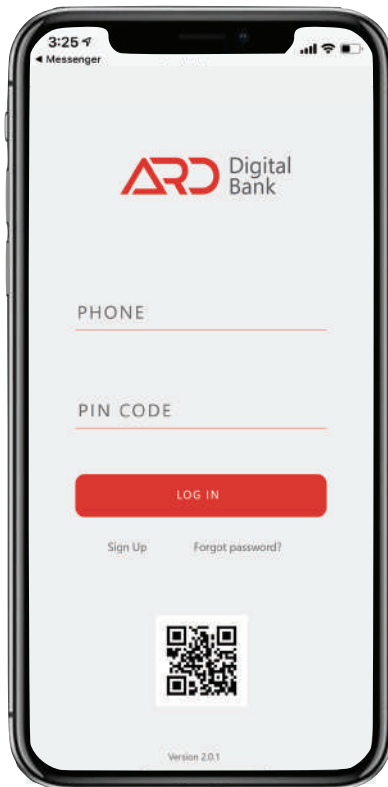


MNT1.5 billion

All-in-One platform-Ard App



Features of Ard App





| One-paper of ArdCoin

Name

ArdCoin

Ticker

ArdX

ERC-20 based

ArdCoin was issued on ERC20 smart contract platform in January 2018. ICT Group was behind its development and Grape City Mongolia, country's leading banking solutions provider, oversaw its integration with Ard Digital Banking App.

SPV

This token is issued by a special purpose vehicle -Ard Bit LLC domiciled in Mongolia, which holds 10 percent of Ard Holdings.

Listed on digital exchange

Now, ArdCoin is listed on local digital exchange, Trade.mn. It will be listed on other foreign exchanges.



Total distribution

5,158,308,000

Payment medium

ArdCoin serve as a payment medium for the services of Ard Financial Group, a full service financial services conglomerate. ArdCoin holders can purchase insurance policies, pay loans, open savings, make payments using the token.

Loyalty program

ArdCoin will be rewarded as loyalty points or cash rebates to customers of Ard Financial Group and its subsidiaries.



Notes



Stronger. Together.

