



GOBI JSC AND ITS SUBSIDIARIES  
**CONSOLIDATED FINANCIAL STATEMENTS**

*December 31, 2021*

**GOBI JSC AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
*(in thousands of MNT)*

	2021.12.31	2020.12.31
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	4,389,479	12,798,745
Trade and other receivables	2,258,129	5,996,260
Prepayments and advances	3,127,757	3,000,896
Inventories	138,030,372	193,207,689
Corporate income tax receivables	-	265,286
Right to returned goods assets	-	646,063
	<b>147,805,737</b>	<b>215,914,938</b>
<b>Non-current assets</b>		
Property, plant and equipment	145,404,533	156,243,324
Right-of-use assets	1,328,307	2,631,104
Deferred tax assets	4,325,582	4,073,481
Other non-current assets	994,308	950,981
	<b>152,052,730</b>	<b>163,898,890</b>
<b>Total Assets</b>	<b>299,858,467</b>	<b>379,813,828</b>
<b>LIABILITIES AND OWNERS' EQUITY</b>		
<b>Current liabilities</b>		
Trade and other payables	15,982,955	21,934,076
Contract liabilities	1,370,281	1,541,384
Refund liabilities	0	1,010,634
Corporate income tax payable	111,894	46,241
Lease liabilities	914,850	1,001,198
Borrowings	132,650,889	267,714,096
	<b>151,030,869</b>	<b>293,247,630</b>
<b>Non-current liabilities</b>		
Lease liabilities	672,587	1,900,851
Borrowings	93,407,780	4,458,498
Long-term other payables	25,622,107	14,955,172
	<b>119,702,474</b>	<b>21,314,521</b>
<b>Total Liabilities</b>	<b>270,733,343</b>	<b>314,562,151</b>
<b>Equity</b>		
Share capital	780,113	780,113
Revaluation reserve	48,870,401	48,974,836
Foreign currency translation reserve	561,878	(1,362,032)
(Accumulated losses) / Retained earnings	(21,087,268)	16,858,760
	<b>29,125,124</b>	<b>65,251,677</b>
<b>Total Liabilities and Equity</b>	<b>299,858,467</b>	<b>379,813,828</b>

*(in thousands of MNT)*

	2021.12.31	2020.12.31
<b>Revenue</b>	144,344,329	117,092,505
Cost of sales	(85,543,487)	(71,536,490)
<b>Gross profit</b>	<b>58,800,842</b>	<b>45,556,015</b>
Finance and other income	963,425	2,615,647
Other gains and (losses)	2,913,718	(8,480,653)
Finance cost	(25,474,286)	(29,542,260)
Selling and marketing expenses	(60,568,067)	(44,384,939)
General and administrative expenses	(14,636,714)	(13,076,638)
Impairment losses on financial assets	(110,920)	(170,306)
<b>Profit / (loss) before taxation</b>	<b>(38,112,002)</b>	<b>(47,483,133)</b>
Income tax benefit (expense)	165,974	1,327,791
<b>Net profit / (loss) for the year</b>	<b>(37,946,028)</b>	<b>(46,155,342)</b>
<b>Items that will not be reclassified to profit or loss</b>		
Revaluation of property, plant and equipment	(104,435)	33,327,139
<b>Items that are or may be reclassified subsequently to profit or loss</b>		
Exchange differences on translating the net assets of foreign subsidiaries	1,923,910	(1,083,503)
<b>Other comprehensive income for the year</b>	<b>1,819,475</b>	<b>32,243,636</b>
<b>Total comprehensive loss for the year</b>	<b>(36,126,553)</b>	<b>(13,911,705)</b>
<b>Losses per share-basic (in MNT)</b>	<b>(48.64)</b>	<b>(59.16)</b>

**GOBI JSC AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY**
*(in thousands of MNT)*

	Share Capital	Revaluation surplus	Foreign currency translation reserve	Retained Earnings (Accumulated losses)	Total equity
<b>Balance as of 01 January 2020</b>	<b>780,113</b>	<b>15,647,697</b>	<b>(278,529)</b>	<b>63,014,101</b>	<b>79,163,382</b>
Net profit / (loss) for the year				(46,155,341)	<b>(46,155,341)</b>
Other comprehensive income		33,327,139	(1,083,503)		<b>32,243,636</b>
Declared dividend					
<b>Balance as of 31 December 2020</b>	<b>780,113</b>	<b>48,974,836</b>	<b>(1,362,032)</b>	<b>16,858,760</b>	<b>65,251,677</b>
Net profit / (loss) for the year				(37,946,028)	<b>(37,946,028)</b>
Other comprehensive income		(104,435)	1,923,910		<b>1,819,475</b>
Declared dividend					
<b>Balance as of 31 December 2021</b>	<b>780,113</b>	<b>48,870,401</b>	<b>561,878</b>	<b>(21,087,268)</b>	<b>29,125,124</b>

**GOBI JSC AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENT OF CASH FLOWS***(in thousands of MNT)*

	<i>2021.12.31</i>	<i>2020.12.31</i>
Net cash flows (used in) / from operating activities	19,987,525	(33,623,044)
Net cash flows (used in) / from investing activities	(212,013)	(990,150)
Net cash flows (used in) / from financing activities	(30,108,651)	37,853,487
Increase/(decrease) in cash and cash equivalents	(10,333,139)	3,240,293
Exchange difference on translating foreign operations	1,923,910	(1,083,503)
Effects of exchange rate differences on cash and cash equivalents	(37)	211
<b>Cash and cash equivalents, at the beginning of the year</b>	<b>12,798,745</b>	<b>10,641,744</b>
<b>Cash and cash equivalents, at the end of the year</b>	<b>4,389,479</b>	<b>12,798,745</b>