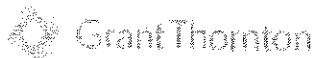


Annual operational report 2022 /form 1/

Article 20 of the Securities Market Law stipulates the common obligations of the issuer, and the issuer is responsible for submitting annual operational report to the Financial Regulatory Commission and the stock exchange in accordance with the annual operational report form, and to provide information to the public through its website.

Reporting period	From January 1, 2022 To December 31, 2022
Issuer's name, state registration certificate number, securities code, phone number	OJSC "Invescore NBFI" 9010002004 MN00INV05533 77090077
Name of listed stock exchange	Mongolian Stock Exchange
Sector of business operation	Financial service
The name and date of registration of the audit firm registered with the FRC that issued an audit opinion on the year-end financial statements	"Grant Thornton Mongolia" LLC
Total number of issued shares	75,744,281
Name of the specialist who prepared and reviewed the annual operational report	Prepared: Financial Management and Treasury Department . Financial manager Khulan.T Reviewed: Head of the Financial Management and Treasury Department. Bayarkhuu.B CFO Tulga.S
1.	Financial statement for the reporting period /fill out the summary report indicators and attach the financial statement/



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

The extent to which the auditor has considered the ability to detect illegal acts, such as fraud

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the general presentation, structure, and content of the consolidated financial statements, including disclosures, and determine whether the main financial statements and events are properly presented.

2.	A brief description of the issuer's financial situation and results of operations during the reporting period, as well as the management's assessment and the measures to be taken in the future.			
2.1	Operational performance /Financial ratios/	<ul style="list-style-type: none"> ✓ Loans, other equivalent assets of single party and its related parties / Total equity ratio (9.4%) ✓ Loans of all related parties / Total equity (4.3%) ✓ Loans of single related party / Total equity (4%) ✓ Securities holding / Total equity ratio (11.8%) ✓ Shares/Total equity ratio (7.7%) ✓ Foreign currency exposure ratio (2.9%) ✓ Trust services/Total equity ratio (76.6%) ✓ Issued bonds / Total equity ratio (39.9%) ✓ Tangible assets to total asset ratio (0.6%) <p style="text-align: right;">* on a stand-alone basis</p>		
2.2	Liquidity ratios	<ul style="list-style-type: none"> ✓ Liquidity ratio (25.3%) ✓ Risk adjusted Tier 1 Capital Adequacy Ratio (32.4%) ✓ Risk adjusted Capital Adequacy Ratio (34.0%) ✓ Tier 1 capital to total asset ratio (31.0%) <p style="text-align: right;">* on a stand-alone basis</p>		
2.3	Information on the effects of the external and internal environment on the activities of the issuer, the share of the sector in which it operates, changes in the range and development of products and services, and the measures planned to be taken by the issuer.	<p>In the difficult situation of the Covid-19 pandemic, we have supported our customers by reducing loan commissions, and in cooperation with Rio Tinto Mongolia, we are supporting small and medium-sized businesses and implementing an ultra low-interest loan program.</p> <p>We are studying high-risk sectors and defining our risk policy.</p> <p>Compared to the same period last year, the loan portfolio increased by 63 percent to MNT 283 billion, and the number of customers increased by 128 percent to 182,000.</p> <p>By the end of 2022, "Invescore NBF1" JSC constitutes 10.4% of the MNT 2.7 trillion loan portfolio of 513 NBFIs licensed by the Financial Regulatory Commission to engage in non-banking financial activities.</p> <p>Loan portfolio by products</p> <ul style="list-style-type: none"> ✓ Business-53% ✓ Automobile-14% ✓ Consumer-9% ✓ Digital-24% <p>In the future, the company is pursuing a policy of fully automating consumer loans and focusing more on business loans to support small and medium-sized businesses.</p>		
2.4	Details of off-balance sheet transactions and information on accounting policies	<p>An off-balance sheet account during the reporting period</p> <table border="1" data-bbox="711 1912 1426 1966"> <tr> <td data-bbox="711 1912 1054 1966">Loan collateral</td> <td data-bbox="1054 1912 1426 1966">244.138.089.451.00</td> </tr> </table>	Loan collateral	244.138.089.451.00
Loan collateral	244.138.089.451.00			

**Ankhbold.B**

Chairman of the board

CEO, NBF Capital Ltd

**Bayasgalan.D**

Board member, CEO

CEO, Invesco NBF JSC

**Hashchuluun.Ch**

Independent board member

Professor,
Department of Economy,
National University of Mongolia**Purev.R**

Board member

Deputy CEO, Invesco NBF JSC

**Enkhbat.D**

Independent board member

Founder and CEO,
Rharborum Digital LLC**Hirohito.N**

Board member

CEO, Invesco NBF JSC

**Unurjargal.Ch**

Independent board member

Senior lecturer,
Department of Accounting,
University of Finance and Economics**Uyangakhishig.G**

Board member

Chairman of the board,
Investment Capital LLC**Teimen.T**

Board member

Director,
Business Development Department,
Amur Biotech LLC**Internal audit**

Invesco NBF JSC implements a risk management system with three lines of defense model, and the Internal Audit Department provides independent assurance as a function of the third line of defense. Within the company's corporate structure, the internal audit department operates under the direct supervision of the Audit Committee.

Internal audit evaluates the organization's risk management, control system, governance and internal control processes with a rational and risk-based approach, and monitors whether the work and services provided by the company comply with relevant laws and regulations, identifies risks, makes recommendations to prevent risks, and implements value-adding functions by supporting operational improvements.

6. Market Risk

The Issuer is committed to taking the following steps to prevent loss of economic value and income due to large-scale changes in the market in which it operates, adverse changes and price fluctuation.

- ✓ Opening new markets and financial exports to foreign countries;
- ✓ Diversification of product and service types and customer segments;
- ✓ Diversify capital resources;
- ✓ Regularly observe the economic and political situation and provide objective evaluations;
- ✓ Collaborate with regulatory bodies and professional associations to reduce market risk.

FIFA WORLD CUP QATAR 2022 - Main Sponsor of Live Stream

Invescore financial institution has been chosen as main sponsor of the live broadcast of the FIFA World Cup Qatar.



Support program for small and medium sized enterprises



Invescore NBFJ JSC and Rio Tinto Mongolia LLC have been implementing an ultra low-interest loan program to support the recovery of the Mongolia's economy and to support micro, small and medium businesses that were badly hurt during the Covid-19 pandemic.

UN Youth Delegate - Environmental Leadership program

Invescore NBFJ has been supporting UN Youth Delegate - Environmental Leadership program, which is being implemented for the first time in Mongolia. 🌱

Billion-tree campaign

Invescore NBFJ JSC supported the "BILLION-TREE" campaign and made a positive contribution to the environment by planting trees in Kharkhorin sum of Uvurkhangai Province in cooperation with the Financial Regulatory Committee.

A balance campaign

In order to maintain the ecological balance, the team of Pocket has implemented the "BALANCE CAMPAIGN" to support the activities of the beaver breeding center, to plant trees, to nurture tree growth, to save fresh water resources, and to elevate positive attitude of youth.

ZeroExpo

More than 30.000 people participated in the expo, and during the expo, the Balance campaign was promoted, and the positive impact on number of issues such as of nature, ecology and attitude was brought to the society. Also, national/local producers and eco friendly merchants were supported.

Top CSR practitioner

HYDROCARBON JSC AND ITS SUBSIDIARIES
Notes to Consolidated Financial Statements
As and by the end of 31 December 2022 (continued), the amount in thousand, except where otherwise indicated

Consolidated statement of financial position

In MNT thousand	Notes	2022	2021
Assets			
Cash and bank balances	16	50,043,133	24,066,171
Derivative financial instruments	17	515,763	163,767
Loans to customers - net	18	262,331,254	174,560,846
Other financial assets - net	19	2,030,562	3,274,798
Investments in debt and equity instruments	20	6,422,773	
Repossessed assets	21	561,450	762,560
Other non-financial assets	22	6,422,453	1,046,468
Property and equipments	23	1,812,913	1,542,136
Intangible assets	24	3,819,636	3,616,774
Right-of-use assets	25	1,763,367	1,456,266
Goodwill		732,807	769,437
Total assets		388,619,961	242,221,859
Liabilities			
Tax service	26	85,843,869	15,177,701
Due to banks	27	59,458,371	24,387,426
Other liabilities	28	28,432,767	10,210,535
Bond issued	29	44,173,314	31,021,467
Balance of deposit account	30	1,363,935	744,581
Other financial liabilities	31	2,245,243	2,627,265
Non-financial liabilities	32	2,623,610	1,444,171
Provision liabilities	33	774,365	754,161
Income tax payable	34	3,920,846	1,824,171
Deferred tax liabilities	35	427,210	315,405
Total liabilities		235,287,660	126,829,732
Equity			
Share capital	36.1	17,163,942	16,263,021
Additional paid-in capital	36.3	28,522,783	15,377,704
Revaluation surplus	36.4	176,075	
Retained earnings	36.5	72,636,066	33,903,412
Non-controlling interest	36.6	257,456	137,567
Other components of equity	37	5,361,807	2,014,481
Total equity		123,261,301	75,615,941
Total liabilities and equity		358,548,961	212,437,793

KAESORP HAFI ASD AND ITS SUBSIDIARIES
Notes to Consolidated Financial Statements
As and for the year ended 31 December 2022 (rounded to the nearest thousand rupiah except when otherwise indicated)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

In MYR thousand	Notes	2022	2021
Interest revenue calculated using the effective interest method	8	31,251,600	41,142,077
Interest expense calculated using the effective interest method	9	(25,604,134)	(12,640,000)
Net interest income	8	5,647,466	28,502,077
Fee and commission income	10	12,244,471	8,286,051
Fee and commission expenses	10	(673,373)	(663,693)
Net fee and commission income	10	11,571,098	7,622,358
Net trading loss	11	(35,824)	(313,473)
Other operating income		283,362	2,144
Net losses on financial assets & liabilities at FVPL	12	(6,752,620)	(841,340)
Provisional expenses	13	(5,858,395)	(5,625,727)
Depreciation of property and equipment & Amortisation of intangible assets		(2,164,310)	(1,694,670)
Other operating expenses	14	(3,487,336)	(4,672,176)
Net operating loss		(24,855,267)	(12,650,558)
Profit before tax		42,863,167	28,219,313
Income tax expense	15	(9,337,641)	(4,661,054)
Profit for the year		33,525,526	19,219,290
Other comprehensive income/(loss)		281,661	(365,563)
Total comprehensive income for the year		34,007,366	19,044,136
Earnings per share		0.46	0.32

The notes on pages 14-61 are integral parts of these consolidated statements of profit and loss and other comprehensive income.

PTV FINANCE 100% AND ITS SUBSIDIARIES
 Notes to Consolidated Financial Statements
 for and for the year ended 31 December 2022 (rounded to the nearest thousand rupiah except when otherwise indicated)

Consolidated statement of cash flows

In MYR thousands	Note	2022	2021
Operating activities			
Profit before tax		42,993,107	23,110,318
Adjustment for:			
Depreciation and amortization expenses		2,154,380	1,004,372
Unrealized foreign exchange loss/gain	23-25	2,000	171,000
Loss on impairment of repossessed collateral	17	170,387	12,000,000
Expense/loss of loan receivables	12	5,100,701	520,045
Impairment on financial assets	12	258,009	30,111
Loss (gain) on disposal of assets	14	20,475	3,000
Finance cost	9	25,514,200	12,014,337
Interest expense on lease liabilities	9	60,000	180,500
Operating loss before changes in working capital		76,280,110	38,014,738
Decrease/(increase) in loans to customers	13	(102,420,104)	(10,000,000)
Decrease/(increase) in other financial and non-financial assets	13-22	(15,072,820)	(3,215,454)
Increase/(decrease) in repossessed collateral	21	322,119	30,322
Increase/(decrease) in other financial and non-financial liabilities	31-32	6,200,410	2,311,400
Operating outflow		(111,769,194)	(14,141,968)
Income tax paid	34	(7,903,014)	(2,070,000)
Interest paid		(20,133,014)	(14,001,000)
Net cash flow from operating activities		(139,805,222)	(26,212,968)
Investing activities			
Acquisition of property and equipment	23	(1,400,000)	(1,000,000)
Disposal of property and equipment	23	814,300	-
Right-of-use lease assets	25	100,000	100,000
Acquisition of intangible assets	24	(1,707,190)	(110,000)
Sale of investment	28	240,700	50,000
Acquisition of investment	20	5,772,715	-
Net cash flow from investing activities		4,610,525	(10,000)