

Annual operational report /Form 1/	
<i>Article 20 of the Securities Market Law stipulates the ongoing obligations of the issuer, and the issuer is responsible for submitting annual operational report to the Financial Regulatory Commission and the exchange in accordance with the below form, and shall disclose to the public through its website.</i>	
<i>Reporting period /For example: From January 1st 2023 to December 31st 2023/</i>	From January 1, 2024, to December 31, 2024
<i>Issuer's name, state registration certificate number, securities symbol, phone number</i>	"InvesCore NBFJ" JSC, 9010002004 MN00INV05533 77090077
<i>Name of listed exchange</i>	Mongolian Stock Exchange
<i>Sector of business operation</i>	Non-banking financial services
<i>Name and date of registration of the audit firm registered with the FRC that issued an audit opinion on the year-end financial statements</i>	Ernst and Young Mongolia Audit LLC
<i>Total number of shares issued by the issuer</i>	75,744,281 ordinary shares 2,400,000 preferred shares
<i>Names of the specialist who prepared and the official who reviewed the annual report</i>	Prepared by: Treasury Department, Financial Manager Nomundari.G Reviewed by: Chief Investment Officer Tulga.S

<i>Financial statement for the reporting period /fill out the summary report indicators and attach the financial statement/</i>				
		000' MNT	(2023.12.31)	(2024.12.31)
I.	<i>Balance sheet</i>	Assets		
		Cash and equivalents	81,902,828	135,263,686
		Loans and advances	484,888,958	732,977,470
		Financial assets at fair value through other comprehensive income	7,587,265	21,910,646
		Other assets	6,291,377	6,267,145
		Foreclosed properties	1,025,379	2,366,355
		Assets held for sale	-	3,309,939
		Property and equipment	11,674,362	13,540,144
		Intangible assets	4,785,379	5,891,772
		Right-of-use assets	2,148,444	3,223,384
		Goodwill	292,627	292,627
		Deferred tax assets	-	1,208,394
		Total assets	600,596,619	926,251,562
		Liabilities		
		Borrowed funds	214,787,474	323,502,282
		Bonds payable	67,443,385	124,581,919

	Private placement of deposits	141,098,586	207,389,691
	Convertible liability	1,818,929	1,333,156
	Derivative financial liabilities, net	282,556	601,379
	Other liabilities	9,649,900	9,617,962
	Lease liabilities	2,147,496	3,340,561
	Income tax liabilities	7,396,351	7,361,200
	Deferred tax liabilities	262,409	-
	Total Liabilities	444,887,086	677,728,150
	<i>Total equity</i>		
	Shared capital	17,193,952	29,193,952
	Share premium	29,820,733	
	Preference shares	-	11,831,009
	Other reserves	1,690,885	7,005,398
	Retained earnings	105,760,518	181,045,373
	Translation reserve	153,256	14,628
	Equity attributable to equity holders of the parent	154,619,344	246,911,093
	Non-controlling interests	1,090,189	1,612,319
	Total Equity	155,709,533	248,523,412
	Total liabilities and equity	600,596,619	926,251,562
	000' MNT	(2023.12.31)	(2024.12.31)
	Interest income calculated using the EIR	125,736,007	224,532,959
	Interest and similar expense calculated using the EIR	(46,101,689)	(81,602,827)
	Other interest and similar expense	(636,792)	(1,931,318)
	Net interest income	78,997,526	140,998,814
	Fee and commission income	16,012,796	24,886,689
	Fee and commission expense	(684,437)	(448,765)
	Net fee and commission income	15,328,359	24,437,924
	Net losses on financial instruments at FVTPL	(282,556)	(318,823)
	Impairment losses on financial assets	(8,393,672)	(18,461,799)
	Other operating income	1,309,254	2,405,824
	Net operating income	86,958,911	149,061,940
	Employee costs	(13,864,945)	(20,069,009)
	Depreciation of property and equipment	(1,225,857)	(1,574,041)
	Amortisation of intangible assets	(501,711)	(665,734)
	Amortisation of right of use assets	(1,261,841)	(1,145,669)
	Other operating expenses	(15,150,719)	(11,012,036)
	Profit before tax	59,741,996	107,291,205
	Income tax expense	(15,163,777)	(23,852,551)
	Profit for the year	44,578,219	83,438,654
<i>Income statement</i>			

	<i>Statement s of retained earnings</i>	
	<i>Cash flow statement</i>	On a consolidated basis, the net cash flow from operating activities was (159.1) billion MNT, from investment activities was (17.8) billion MNT, and the net cash flow from financing activities was 226.9 billion MNT. In total, the cash balance increased by 50.5 billion MNT from the end of 2023, reaching 131.3 billion MNT.
1. 1.	<i>Audit report on annual financial statement</i>	
	<i>Attached in form.</i>	
1. 2.	<i>Audit opinion letter /the opinion letter must be developed within the context of the content mentioned in this instruction/</i>	
	<i>Attached in form.</i>	
2.	<i>A brief description of factors affecting the issuer's financial condition and results of operations during the reporting period, as well as the management's assessment and the measures to be taken in the future.</i>	
2. 1.	<i>Operatio nal perform ance /Financia l ratios /</i>	<ul style="list-style-type: none"> - Adequate ratio of loans granted to one borrower and related parties, other assets to be treated as loans, and payment guarantees (8.5% Satisfied) - Adequate ratio of the total amount of loans, other assets to be treated as loans, and payment guarantees to shareholders, directors, and executive directors of NBFI (15.5% Satisfied) - Adequate ratio of loans granted to shareholders, directors, executive directors and related parties of NBFI, other assets to be treated as loans, and payment guarantees (8.5% Satisfied) - Securities ownership to equity ratio (20.0% Satisfied) - Equity ratio of the company's shares (10.5% Satisfied) - Difference between foreign assets and liabilities equity ratio (-8.8% Satisfied) - Trust Service Payable Equity Ratio (92.1% Satisfied) - Bond to Equity Ratio (23.8% Satisfied) - Tangible assets to total equity ratio (1.2% Satisfied) <p style="text-align: right;"><i>*On a stand-alone basi</i></p>
2. 2.	<i>Liquidity ratios and financial resources</i>	<ul style="list-style-type: none"> - Tier 1 Equity to risk-weighted assets ratio (25.8% Satisfied) - Equity to risk-weighted assets ratio (28.0% Satisfied) - Tier 1 Equity to total asset ratio (23.3% Satisfied) - Liquidity Ratio (29.4% Satisfied) <p style="text-align: right;"><i>*On a stand-alone basis</i></p>
2. 3.	<i>The external and internal factors affecting the operation s of the issuer, its market share in the</i>	<p>Compared to the same period last year, the total loan portfolio increased by 51.5% to 733 billion MNT. As of the end of 2024, "InvesCore NBFI" accounted for 13.0% of the total loan portfolio, which stood at 5.7 trillion MNT across 573 NBFIs registered by the Financial Regulatory Commission for non-banking financial activities.</p> <p>The loan portfolio is segmented by product, with the following breakdown: Business loans: 39% Car loans: 24.3% Consumer loans: 4.3% Digital loans: 32.4%</p> <p>The company's strategy includes full automation of consumer loans and bolstering support for small and medium enterprises <i>by prioritizing business loans.</i></p>

	<i>operating industry, changes or developments in the range of products and services, and measures planned to be taken by the issuer in response to changes and development.</i>	
2.4.	<i>Details of off-balance sheet transactions and information on accounting policies</i>	Regarding off-balance items, InvesCore NBFII has 680 bln MNT worth loan collateral, 7 bln MNT written-off loans, and 13.6 bln MNT stopped accrued loan interest by the end of 2024.
2.5.	<i>Information on loan repayment which received during the reporting period, and loan pledges and guarantees;</i>	In 2024, on a consolidated basis, Company received 680 bln MNT funding from local and global financial institutions and repaid 527 bln MNT. In terms of bond, company issued 122 bln MNT bond, and paid 66.3 bln MNT. Regarding trust deposit, company received 307 bln MNT and repaid 246 bln MNT respectively.
3	<i>Information on conflict of interest and significant transactions conducted by the issuer during the reporting period, the importance and the purpose of the transaction, and information about the person with a conflict of interest / all conflicts of interest transactions made during the reporting period shall be included/</i>	SIGNIFICANT TRANSACTIONS No significant transactions were conducted during the reporting period.

RELATED PARTY TRANSACTIONS

In the reporting period, a total of 26 related party transactions were conducted in accordance with the "Procedure for Conducting Related Party and Significant Transactions" approved by the Board of Directors of InvesCore NBFJ JSC.

The Audit Committee under the Board of Directors reviewed and concluded on these transactions, and the non-conflicted members of the Board approved them.

These included 3 contracts for human resources recruitment and management services, 2 contracts for securities market advisory and underwriting services, 2 contracts for system development, 3 contracts for real estate management and leasing, 1 investment contract, 1 management services contract with the parent company, and other loan, collateral, and guarantee agreements with related parties."

4. Information on Compensation (salary, bonus etc).

Executive Compensation and Incentive Performance Criteria

The performance of the Chief Executive Officer (CEO) is assessed based on the achievement of targets set out in the Balanced Scorecard system, as outlined in the business plan. Compensation, including salary and additional incentives, is determined by the extent to which these objectives are met.

The performance criteria are organized into four key categories:

- Achievement of financial performance targets
- Achievement of market, product and service, and customer service objectives
- Achievement of internal process improvements and business development goals
- Achievement of human resources and productivity-related objectives

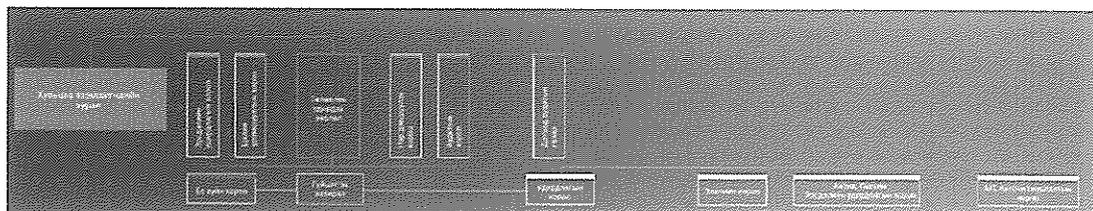
5. Information related to corporate governance

As an open joint-stock company and a securities issuer, InvesCore NBFJ JSC adheres to the Corporate Governance Code and the Public Disclosure Guidelines for Securities Issuers, following the "Transparency and Reporting Guidelines" approved by the Board of Directors.

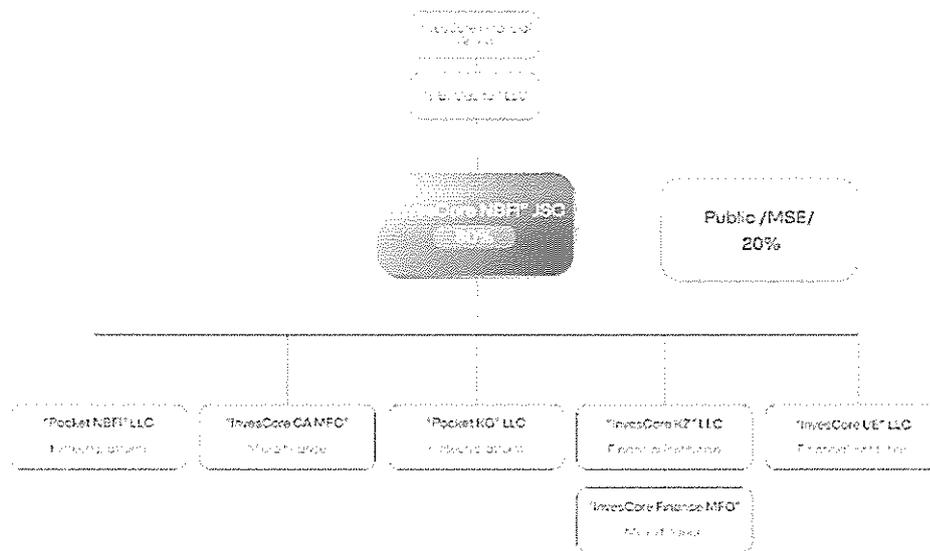
Under these guidelines, the company's website (www.invescore.mn) features a section for investors, where shareholders and investors can access timely reports on the Board's structure, members' expertise, governance policies, procedures, and financial and operational reports.

The following governance policies and procedures are publicly available:

InvesCore NBFJ JSC implements best practices in corporate governance and internal control systems at all levels through the following structure:



Shareholders' Structure



Shareholders: Shareholders exercise control through the General Meeting of Shareholders, voting rights, and representation on the Board of Directors.

Board of Directors: The Board of Directors of InvesCore NBF JSC consists of 9 members, including 3 independent directors representing minority shareholders, 1 regular member, and 5 affiliated members.

The independent directors are respected professionals in their fields and lead the Board's committees, such as the Risk Management Committee (chaired by member Unurjargal) and the Audit Committee (chaired by member Hashchuluun). These committees ensure internal control, good governance, risk management, and transparency in the company's operations.

Internal Audit under the Board of Directors: The Internal Audit Department, which implements internal control within the company's structure, reports directly to the Audit Committee under the Board of Directors. The Internal Audit Department conducts control activities within the framework of internal control policies, operating procedures, and audit guidelines approved by the Board of Directors, reporting any identified errors or shortcomings to the Audit Committee and seeking directions.

Board Annual Report

	Composition	Meetings	Areas
Board	Chairman: Aniruddh G. Independent Directors: 3 Independent Directors: 4	Total meeting: 33 - Meeting: 26 - Board meeting: 1 - Shareholder Meeting: 1	Approval of the resolution and budget Operational, financial, strategic and management team performance Risk Management Environmental, social and governance ESG
Audit Committee	Chairman: Prakash G. Member: Aniruddh G. Member: Prakash G.	Total meeting: 16 - Meeting: 5 - Shareholder Meeting: 10 - Board meeting: 1	Internal control, internal audit Financial and compliance reporting Litigation Monitoring and assessing financial statements and related matters
Risk Management Committee	Chairman: Aniruddh G. Member: Prakash G. Member: Aniruddh G.	Total meeting: 8 - Meeting: 7 - Shareholder Meeting: 1	Policy, objectives Risk report Coordination with the regulatory authorities/external
Sustainability Committee	Chairman: Prakash G. Member: Aniruddh G. Member: Aniruddh G.	Total meeting: 3 - Shareholder Meeting: 1 - Board meeting: 2	ESG report Climate financing policy Investment in ESG related areas
Remuneration Committee	Chairman: Aniruddh G. Member: Prakash G. Member: Aniruddh G.	Total meeting: 1 - Shareholder Meeting: 1	Management team compensation and bonuses Other external advisory and support
<p>General Meeting of Shareholders. The Annual General Meeting of Shareholders was held on April 29, 2024, via the InvesCore App and the investcore.mn website, with a 93.33% participation rate from shareholders with voting rights. The following matters were presented to and approved by the shareholders, as per the Board of Directors' Resolution No. 23, dated March 20, 2024:</p> <ul style="list-style-type: none"> - Approval of the Board of Directors' evaluation of the company's 2023 operational and financial performance. - Approval of the Board of Directors' budget for 2024. - Approval of the draft amendments to the company's charter related to foreign currency trading. - Approval of the company's "Employee Stock Ownership Program." - Approval of amendments to the company's charter. <p>As a token of appreciation for active shareholder participation, InvesCore NBFi provided shareholders with the right to plant tree saplings in alignment with the company's Sustainable Development Policy, leading to the planting of 1,200 elm trees. This initiative will generate 70 tons of oxygen and has multiple benefits, including reducing the impact of climate change and mitigating desertification</p>			
6.	<p><i>Information on market risks</i></p> <p>InvesCore NBFi didn't encounter any market risk which could negatively impact the company's activity. Even though USD started appreciating against MNT, as a result of policy of maintaining the net USD short position as low as possible, the company mitigates the potential FX risk (loss).</p>		
7.	<p><i>Information of shareholders ownership /names of shareholders with ownership of 5 or more percentage of total shares, and number of total shareholders/</i></p>		

	<ul style="list-style-type: none"> - 80.4% of common shares, or 14,775,551 shares – “SIBJ Capital” LLC - 100% of preferred shares, or 2,400,000 shares – Kim Daeseung
8.	<p>If the issuer has issued shares to the public for the purpose of implementing a project, a report on the progress of project implementation and the use of funds raised during the period from the start of the project to its completion.</p> <p>No shares were offered to the public during the reporting period.</p>
9.	<p>Dividend information</p> <p>By Resolution No. 08 of the Board of Directors dated February 10, 2025, it was decided to distribute a dividend of 60 MNT per share from the net profit of 2024, totaling 4,250,635,908 MNT to common shareholders. Additionally, by Resolution No. 09, it was decided to allocate 750 MNT per preferred share, totaling 1,800,000,000 MNT, to the holders of preferred shares. The dividends were fully distributed to the shareholders on April 23, 2025.</p>
10	<p>Information on the report of activities carried out by the issuer in the field of social responsibility during the reporting period</p> <p>The share of total investment income spent on social responsibility activities and programs is 0.98% or 1.8 billion MNT. As part of the work to reduce air, water, and soil pollution, we have collaborated as an investor in a project that will make a real contribution to environmental and socio-economic development, such as creating a reliable supply of heat, clean sewage, and hot water for specific regions, and reducing air, soil, and drinking water pollution in the region. Percentage of complaints resolved from employees and the public A total of 82 customer complaints were received and resolved 100%. A total of 4 employee complaints were also received and resolved 100%.</p>
<p>Signature of the person who prepared the information, the person who confirmed the accuracy of the information and the date:</p>	

<p>Full name: Bayasgalan Dalaijamts</p> <p>Position: “Invescore NBFI” JSC’s CEO</p> <p>Signature: </p>	 <p>(Stamp)</p>
<p>Signature of the person who prepared and submitted the information and the date:</p>	
<p>Full name: Bud Batjargal</p> <p>Position: Secretary of the Board of Directors</p> <p>Signature: </p>	

11 April 2025

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Letter of representations

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

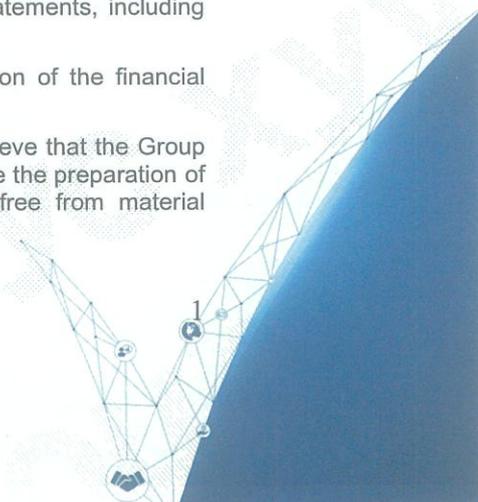
This letter of representations is provided in connection with your audit of the consolidated and separate financial statements (collectively referred to as "the financial statements") of **Invescore NBFJ JSC** ("the Company") and its subsidiaries (collectively referred to as "the Group") for the year ended 31 December 2024. The consolidated financial statements includes the following companies: Pocket NBFJ LLC (formerly known as Invescore Wallet NBFJ LLC), Invescore CA MFC, Invescore KZ LLC, Invescore UE LLC, Pocket KG LLC. We recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the Group and Company as of 31 December 2024 and of its financial performance (or operations) and its cash flows for the year then ended in accordance with *International Financial Reporting Standards* ("IFRSs").

We understand that the purpose of your audit of our financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing, which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 19 December 2024, for the preparation of the financial statements in accordance with *International Financial Reporting Standards*.
2. We acknowledge, as members of management of the Group and the Company, our responsibility for the fair presentation of the financial statements. We believe the financial statements referred to above present fairly, in all material respects the financial position, financial performance (or results of operations) and cash flows of the Group and the Company in accordance with *IFRSs*, and are free of material misstatements, including omissions. We have approved the financial statements.
3. The material accounting policy information adopted in the preparation of the financial statements are appropriately described in the financial statements.
4. As members of management of the Group and the Company, we believe that the Group and the Company has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with *IFRSs* that are free from material misstatement, whether due to fraud or error.



5. We believe that the effects of any unadjusted audit differences, summarized in the accompanying schedule **Appendix I**, accumulated by you during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

B. Non-compliance with laws and regulations, including fraud

1. We acknowledge that we are responsible to determine that the Group and the Company's business activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws or regulations, including fraud.
2. We acknowledge that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any identified or suspected non-compliance with laws or regulations including fraud that may have affected the the Group and the Company (regardless of the source or form and including without limitation, any allegations by "whistleblowers"), including non-compliance matters:
 - Involving financial improprieties
 - Related to laws or regulations that have a direct effect on the determination of material amounts and disclosures in the Group and the Company's financial statements
 - Related to laws or regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the Group and the Company's business, its ability to continue in business, or to avoid material penalties
 - Involving management, or employees who have significant roles in internal control, or others
 - In relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters
 - Additional information that you have requested from us for the purpose of the audit and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the use of all applications or tools using artificial intelligence, including generative artificial intelligence, that are reasonably likely to have a direct or indirect material effect on the financial statements.
4. We have made available to you all minutes of the meetings of shareholders, directors and committees of directors (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the *1 January 2023* to the most recent meeting held up to the date of this letter.
5. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Group and the Company's related

parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the 31 December 2024 end. These transactions have been appropriately accounted for and disclosed in the financial statements.

6. We believe that the methods, significant assumptions and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in accordance with IFRSs.
7. We have disclosed to you, and the Group and the Company has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
8. From the date of our last management representation letter through the date of this letter we have disclosed to you, to the extent that we are aware, any (1) unauthorized access to our information technology systems that either occurred or is reasonably likely to have occurred, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material effect on the financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. We have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent, and have disclosed in "Contingent liabilities and commitments" notes to the financial statements all guarantees that we have given to third parties.

E. Ownership of Assets

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1. Except for assets recognized as right-of use assets in accordance with IFRS 16 *Leases*, the Group and the Company has satisfactory title to all assets appearing in the balance sheet, and there are no liens or encumbrances on the Group and the Company's assets, nor has any asset been pledged as collateral, other than those that are disclosed in Notes to the financial statements. All assets to which the Group and the Company has satisfactory title appear in the balance sheet.
2. All agreements and options to buy back assets previously sold have been properly recorded and adequately disclosed in the financial statements.
3. There are no formal or informal compensating balance arrangements with any of our cash and investment accounts. Except as disclosed in "Contingent liabilities and commitments" note to the financial statements, we have no other line of credit arrangements.

F. Equity

1. We have properly recorded or disclosed in the financial statements the share/capital stock repurchase options and agreements, and shares/capital stock reserved for options, warrants, conversions and other requirements

G. Contingent Liabilities

1. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss other than those disclosed or accrued in the financial statements.
2. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements, and there have been no communications from regulatory agencies or government representatives concerning investigations or allegations of non-compliance, except as follows:

Matters of routine, normal, recurring nature (e.g., examinations by FRC and examinations by taxing authorities) none of which involves any allegations of noncompliance with laws or regulations that should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

H. Capital Commitments and Off- Balance Sheet Items

1. At the year end, the Group and the Company had no unusual commitments or contractual obligations of any sort which were not in the ordinary course of business and which might have an adverse effect on the financial statements (e.g., contracts or purchase agreements above market price; repurchase or other agreements not in the ordinary course of business; material commitments for the purchase of property, plant and equipment; significant foreign exchange commitments and open balances on letters of credit, etc).
2. There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial statements.

I. Income and Indirect Taxes

1. We acknowledge our responsibility for the tax accounting methods adopted by the Group and the Company, which have been consistently applied in the current period, and for the current year income tax provision calculation.
2. We also acknowledge our responsibility for the plans with respect to future taxable income, which represent our estimates as to the outcome of those plans, based on available evidence, and for the significant assumptions used in our analysis. We would implement such strategies as necessary to prevent a tax operating loss or credit carryforward from expiring.
3. We have disclosed to you all tax opinions, correspondence with tax authorities, or other appropriate information that served as support for the accounting for potentially material matters.
4. Adequate amounts have been accrued for all local and foreign taxes on income including amounts applicable to prior periods not finally settled and paid. Deferred income tax has been accounted for with International Financial Reporting Standards.

J. Use of the Work of Specialists

1. We agree with the findings of the specialists that we engaged to evaluate the estimates and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the financial statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

K. Estimates

Estimations and significant judgments

1. We confirm that the disclosures made in the financial statements with respect to the accounting estimates, including those describing estimation uncertainty, are complete and are reasonable in the context of IFRSs.
2. We confirm that the significant judgments made in making the *Expected credit loss of financial assets* have taken into account all relevant information of which we are aware.
3. We believe that the selection or application of the methods, assumptions and data used by us in respect of the fair value of the land and buildings have been consistently and appropriately applied or used in making the revaluation.
4. We confirm that the significant assumptions used in pricing of derivative financial instruments appropriately reflect our intent and are the best estimates of the value of derivatives to the extent of our knowledge.
5. We confirm that appropriate specialized skills or expertise has been applied in making the accounting estimate.
6. We confirm that no adjustments are required to the accounting estimates and disclosures in the financial statements.

L. Operating segments

1. We confirm that operating segments have been identified appropriately based on the way in which the segments are organized within the Group and the Company for making operating decisions and assessing performance. Subject to the specific requirements of IFRS 8 *Operating segments*, financial information is disclosed in the same manner and based on the same policies as they are reported internally and used by that person or group of persons (the Group and the Company's chief operating decision maker) that make decisions about the resources to be allocated to the operating segments and assess their performance.

M. Independence

1. We are not aware of any act or omission on the part of the entity that does or may impact on your ability to comply with your independence obligations as auditor of the entity. We have brought to your attention any items which we consider may affect your ability to remain independent of the entity and we will continue to work with you to maintain the independence of the audit relationship.

N. Preparation of summary financial statements

We have fulfilled our responsibility for the preparation of the summary financial statements on the basis described in Note "Basis for preparation" in the summary financial statements and believes such basis is acceptable.

Management has made the audited financial statements readily available to the intended users of the summary financial statements, when the summary financial statements will not be accompanied by the audited financial statements.

O. Comparative information – comparative financial statements

In connection with your audit of the comparative financial statements for the year ended 31 December 2023, we represent, to the best of our knowledge and belief, the following:

1. There have been no significant errors or misstatements, or changes in accounting policies that would require a restatement of the amounts from the financial statements for the year ended 31 December 2023 which are shown as comparative amounts in the financial statements for the year ended 31 December 2024. Any differences in the comparative

amounts from the amounts in the financial statements for the year ended 31 December 2023 which disclosed in "Comparative information" note are solely the result of reclassifications for comparative purposes.

P. Subsequent Events

1. Other than described in "Subsequent events" note to the financial statements, there have been no events subsequent to period end which require adjustment of or disclosure in the financial statements or notes thereto.

Q. Other information

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises Annual Report as of 31 December 2024.
2. We confirm that the content contained within the other information is consistent with the financial statements.
3. We will provide to you the final version of documents when available and prior to issuance by us, such that you can perform your procedures.

Regards,



Ariunzul Gankhuyag
(Head of Financial Reporting Department)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Invescore NBFI JSC and its subsidiaries

Opinion

We have audited the consolidated financial statements of Invescore NBFI JSC and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to the matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
<p>Allowance for loan losses</p> <p>The measurement of impairment of loans and advances to customers at amortised cost is estimated by the Group's management through the application of judgement and use of highly subjective assumptions.</p> <p>Due to significance of loans and advances to customers amounted to MNT'000 732,977,470 at amortised cost, representing around 79.2% of the Group's total assets as at 31 December 2024, and the related estimation uncertainty related to the measurement of impairment for these loans and advances to customers, we considered impairment of loans and advances to customers as a key audit matter.</p>	<p>For the assessment of the impairment allowance of loans and advances to customers as of 31 December 2024, our audit procedures included the assessment of design and operating effectiveness of controls over the approval, recording and monitoring of ECL, and evaluating the methodologies, inputs and assumptions used by the Group in its ECL model in calculation of impairment of loans and advances to customers.</p>

INDEPENDENT AUDITOR'S REPORT (CONT'D.)

To the Shareholders of Invescore NBFI JSC and its subsidiaries (cont'd.)

Key Audit Matters (Cont'd.)

Key audit matter	How our audit addressed the key audit matter
<p>Allowance for loan losses</p> <p>The impairment method is based on a forward-looking Expected Credit Loss (“ECL”) approach. Significant judgements and estimates were required in assessing the ECLs of loans and advances to customers, including:</p> <ul style="list-style-type: none"> • Development of ECL models and the choice of inputs, including probability of default (“PD”) and loss given default (“LGD”); • Determination of the Exposure at Default (“EAD”), including the credit conversion factor for the undrawn loan commitments; and • Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL model. <p>Relevant disclosures of the accounting policy and critical accounting estimates and judgements are included in Note 3 to the consolidated financial statements.</p> <p>Other relevant disclosures of loans and advances to the customers and related credit risk management are included in Notes 2.4, 7, 14 and 36 to the consolidated financial statements, respectively.</p>	<p>In evaluating the methodologies, we obtained an understanding of the Group’s ECL model and management’s basis for methodologies and assumptions applied and assessed the reasonableness of the model. We also considered the reasonableness of the assumptions applied, including the basis for staging classification, the appropriateness of determination of PD, LGD and EAD, and the forward-looking macroeconomic variables incorporated in the model.</p> <p>We tested the accuracy of the stage classifications by testing loan overdue information as at the reporting date and compared the key inputs to the ECL model to the Group’s internal available historical data and externally available industry, financial and economic data. Our testing included the following:</p> <ul style="list-style-type: none"> • On a sample basis, compared the PD and LGD applied against internal and external data; • On a sample basis, assessed the appropriateness of the EAD applied, including the assumptions of the credit conversion factors; and • Checked the macroeconomic parameters to external data sources where available. <p>We also considered the consistency of the judgements applied in the ECL model by comparing to prior period inputs.</p> <p>We assessed the adequacy of the related disclosure in the notes to the financial statements.</p>

Other Information included in the Annual Report

The Directors and executives are responsible for the other information. The other information comprises the other sections of the Annual Report, but does not include the consolidated financial statements and our auditor’s report thereon (“the Other Sections”), which are expected to be made available after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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, to consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other Sections of the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

INDEPENDENT AUDITOR'S REPORT (CONT'D.)

To the Shareholders of Invescore NBFJ JSC and its subsidiaries (cont'd.)

Responsibilities of Management and Those Charged with Governance for the Consolidated 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 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 Responsibility 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 consolidated 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 overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (CONT'D.)

To the Shareholders of Invescore NBFJ JSC and its subsidiaries (cont'd.)

Auditor's Responsibility for the Audit of the Consolidated Financial Statements (cont'd.)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 14 May 2024.

This report is made solely to the shareholders of the Group, as a body, in connection with the audit requested by the shareholders in accordance with Article 94 of the Company Law of Mongolia and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.



Ernst & Young Mongolia Audit LLC
ERNST & YOUNG MONGOLIA AUDIT LLC
Certified Public Accountants

Signed by:



MANDAKHBAYAR DORJBAT
Partner

Approved by:



ADRIAN CHU
Partner

Ulaanbaatar, Mongolia
Date: 11 April 2025

InvesCore FI

INVESCORE NBFI ANNUAL REPORT 2024

+976 7709 - 0077
info@invescore.mn
www.invescore.mn



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Highlights of 2024



Expansion into Kazakhstan

InvesCore NBFJ JSC officially launched its subsidiary, InvesCore Finance, in Kazakhstan, expanding its operations in Central Asia on September 14th. With this, we have established our second subsidiary in Central Asia, allowing us to broaden our services internationally and reach foreign customers. This also opens further opportunities for Mongolian professionals to work and lead initiatives in Central Asia.

Kazakhstan, with a population of 20 million, ranks 43rd in the world GDP and leads Central Asia in economic capacity. Presently, 221 non-bank financial institutions operate in the country, and InvesCore Finance aims to introduce advanced technology and rapid services in Kazakhstan.



50 bill MNT asset-backed securities

InvesCore ABS successfully completed the primary market issuance of asset-backed securities (ABS) with 100% execution, raising MNT 50 billion in a single tranche. This marks a historic achievement in Mongolia's capital market as the highest amount raised in a single tranche.

InvesCore ABS has a total maturity of 18 months, with an interest rate of 17%. The principal payments are evenly distributed in the 12th and 18th months, providing investors with the opportunity to reinvest and enhance their actual return levels.



Reaffirmed International "A" Rating

InvesCore NBFJ has successfully reaffirmed its "A" rating from the international rating agency MicroFinanza Rating SRL. The rating takes into consideration key factors such as InvesCore NBFJ's corporate governance, strategic direction, loan portfolio quality, operational efficiency, systems, and financial health—all of which are aligned with international standards.

MicroFinanza Rating SRL is a leading global agency specializing in long-term financial stability assessments and credit ratings for financial institutions. The agency has conducted evaluations for over 2,800 organizations across 110+ countries. The "A" rating is the highest among financial institutions in Mongolia, providing InvesCore NBFJ with a significant advantage in securing international funding and strengthening partnerships with investors.

Highlights of 2024



Successfully reaffirmed ISO 27001 and ISO 9001 certifications for the third consecutive year.

InvesCore NBFi has successfully reaffirmed its compliance with ISO/IEC 27001:2022 and ISO 9001:2015 standards for the third consecutive year.

MSECB, a globally recognized certification body with audit experience in over 400 companies worldwide, highlighted Invescore as one of the most successful and professionally managed organizations in implementing and maintaining an integrated management system. As a testament to this achievement, MSECB featured Invescore in its Success Story.



Secured \$10 million funding from BlueOrchard Microfinance.

InvesCore NBFi has signed a financing agreement with the BlueOrchard MicroFinance Fund (BOMF), one of the largest investment funds in the world, for a \$10.0 million investment.

The signing ceremony took place at the headquarters of Invescore Financial Institution, and with the signing of the agreement by both parties, the official collaboration between the two organizations has begun.



A green financing product has been introduced.

InvesCore NBFi has introduced a green loan product aimed at financing environmentally friendly projects through green loan funding. The objective is to invest in projects that enhance energy efficiency, reduce greenhouse gas emissions, and lower environmental pollution.

Providing green loan financing will support businesses in adopting green technology and transitioning to environmentally friendly practices, making this product an essential driver of our sustainable development.

Highlights of 2024



Raised \$4.5 mil from "Global Gender-Smart Fund" to support women entrepreneurs

InvesCore NBFi has consistently provided inclusive financing to small and medium-sized enterprises (SMEs), with a strong commitment to environmental, social, and gender equality principles.

We are pleased to announce that we have signed a financing agreement worth USD 4.5 million in collaboration with the Global Gender-Smart Fund (GGSF) to support women entrepreneurs in the SME sector.



Honored with "Entrepreneur 2024" Award

InvesCore NBFi was honored with the "Entrepreneur 2024" award in recognition of its demonstration that a Mongolian company—and more importantly, Mongolian talent—can successfully compete not just in the domestic market but on a global scale. This achievement is a shared success with our clients, investors, and partner organizations.



Rio Tinto & InvesCore's co-impact financing.

We successfully implemented in partnership with Rio Tinto Mongolia LLC over the past three years on a financing program to support MSMEs in Mongolia for post Covid-19 pandemic recovery.

This initiative, launched in 2021 during the challenging times of the COVID-19 pandemic when SMEs were facing financial difficulties, aimed to provide crucial support to small and medium-sized business owners.

Over the past three years, we have provided financing of 2.8 billion MNT to 183 entrepreneurs, enabling them to expand and develop their businesses.

Highlights of 2024



"Mongolian" expats in Central Asia.

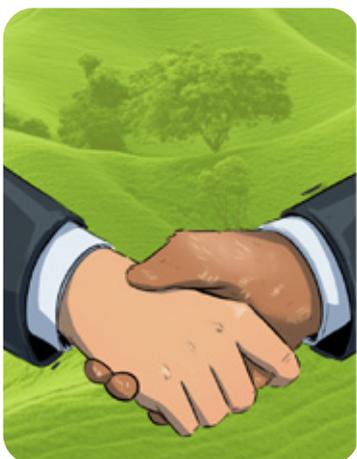
Mongolian expatriates have been appointed to the InvesCore NBFi subsidiaries in Central Asia, specifically in Kyrgyzstan and Kazakhstan. Mongol expats are supporting the implementation of the parent company's strategies and policies while also optimizing the management and development of business operations.



Launched digital trust service of Pocket application

Under the special license for trust services from the Financial Regulatory Commission, a new digital trust product "Build Your Future" was successfully launched in May 2024, aimed at promoting financial discipline and encouraging savings among customers.

We introduced four types of trust products: Children's Trust, Travel Trust, Car Trust, and General Trust.



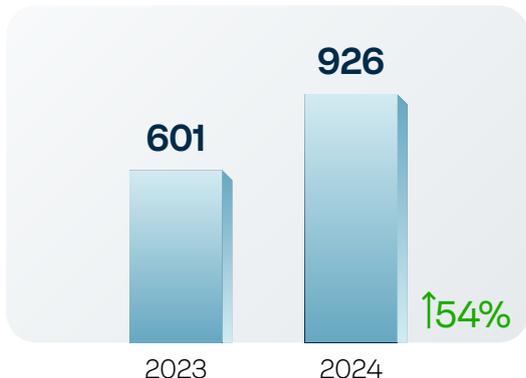
Pocket Joins ToC network and publishes 2nd ESG Report

Invescore Wallet NBFi LLC became an official member of the Mongolian Sustainable Finance Association (ToC) based on the resolution of the Board of Directors dated October 2, 2024, and committed to cooperating in the implementation of sustainable development goals.

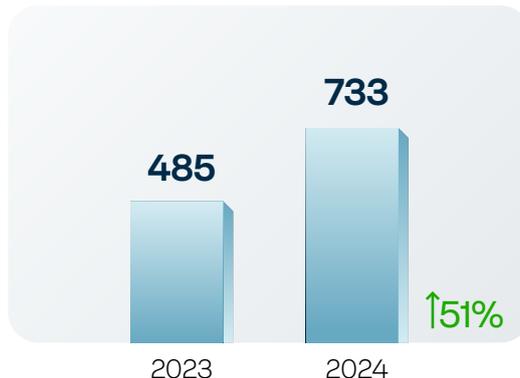
Financial results (consolidated)

*audited

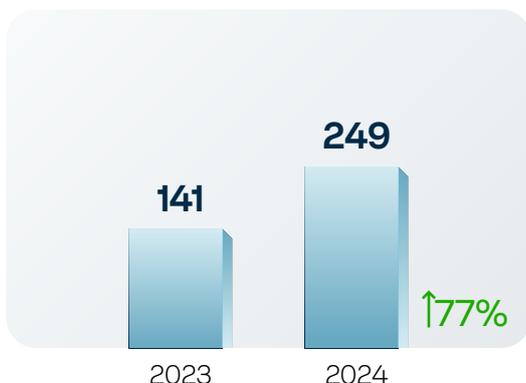
Total asset (bln.MNT)



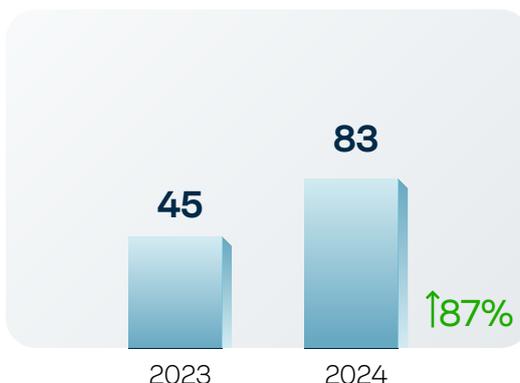
Loan portfolio (bln.MNT)



Interest and fee income (bln.MNT)



Net profit (bln.MNT)



Shares



Closing price: 8735 ₮
Market cap: 662 bln ₮
2024 price growth: 25%

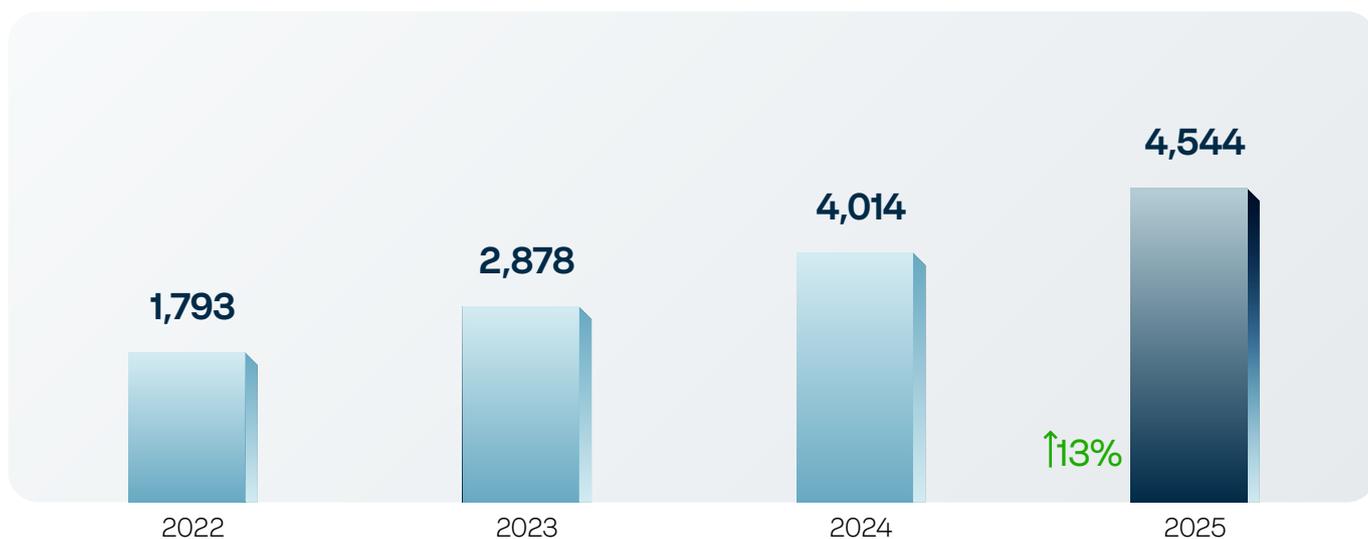
2024 trading volume: 35.6 bln ₮
Shares issued: 75,744,281

Dividends

According to the BoD resolution №8 dated February 10, 2025

- Cash dividend of MNT 60 per share, total MNT 4,544,656,860
- 5.4% of 2024 net profit
- Record date: 2025/04/07
- Dividend distribution date: 2025/04/23

Distributed Cash Dividend (million MNT)



НОГДОЛ АШИГ ХУВААРИЛНА.

Нийт дүн:

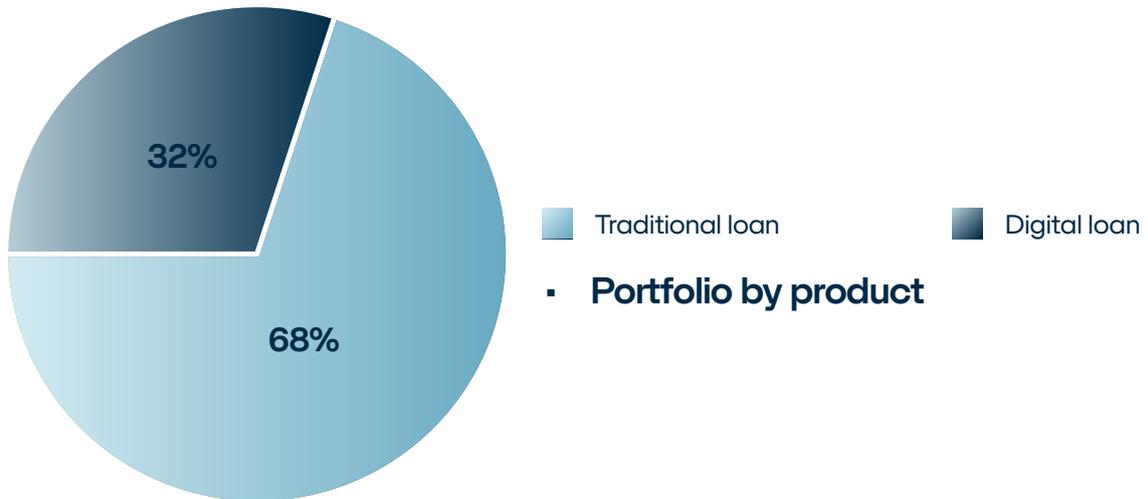
4,544,656,860 ₮

Нэгж хувьцаанд:

60 ₮ ▲13%

Ногдол ашгийг 2025 оны 04 дугаар сарын 23-ны өдөр Компанийн хувьцаа эзэмшигчдийн дансанд байршуулахаар боллоо.

Lending activities



Portfolio by product



2024 YE	Overdue %	NPL %
Banks	3.5%	5.1%
NBFIs	3.1%	6.1%
InvesCore NBFI	3.5%	5.5%

- The total loan portfolio has increased by 51%, reaching 733 billion MNT.
- By supporting small and medium-sized entrepreneurs, business loans now account for approximately 60% of the traditional loan portfolio.

Central Asia Operations

Loan portfolio in Central Asia has reached **60 bln ₸**, with the total number of branches increasing to **6**.



InvesCore CA MFC (Kyrgyzstan)

In 2024, InvesCore CA successfully raised external funds equivalent to 7 billion MNT by issuing bonds twice in the Kyrgyzstan market.

By increasing our market share in the microfinance sector of Kyrgyzstan, InvesCore CA ranks in the TOP 6 of the Kyrgyz microfinance sector.



InvesCore Finance MFO (Kazakhstan)

InvesCore Finance, a subsidiary in Kazakhstan, successfully fulfilled regulatory criteria and received its license on June 18th, 2024. The opening event was successfully held on September 16th, 2024.



Prudential ratio

*separate for Invescore NBFJ JSC

PRUDENTIAL RATIO	LIMIT	REPORT	STATUS
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CAPITAL ADEQUACY RATIO

Tier 1 Equity to risk-weighted assets ratio	Not less than 10%	25.8%	Yes
Equity to risk-weighted assets ratio	Not less than 20%	28.0%	Yes
Tier 1 Equity to total assets ratio	Not less than 10%	23.3%	Yes

LIQUIDITY RATIO

Liquidity Ratio	More than 8%	29.4%	Yes
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ASSET CONCENTRATION RATIO

Loans, other assets equivalent to loans, and payment guarantees of single party and its related parties to total equity ratio	Not exceeding 30%	8.5%	Yes
Total NBFJ's shareholders, board of directors and as chief executive, relates to one party loans and credit-equivalent assets and guarantees optimum ratio	Not exceeding 25%	15.5%	Yes
Single NBFJ's shareholders, board of directors and as chief executive, relates to one party loans and credit-equivalent assets and guarantees optimum ratio	Not exceeding 10%	8.5%	Yes
Securities holding to total equity ratio	Not exceeding 50%	20.0%	Yes
Company shares to total equity ratio	Not exceeding 20%	10.5%	Yes
Purchase ratio of shares issued by companies included in the 'i' and 'ii' categories of the Mongolian Stock Exchange	Not exceeding 20%	2.3%	Yes
Company debt securities to equity ratio	Not exceeding 20%	9.5%	Yes

FOREIGN EXCHANGE RISK

Foreign currency exposure ratio	(+/-40%)	-8.8%	Yes
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INDICATORS OF ASSET RAISED FROM OTHERS

Trust services to equity	Not exceeding 100%	92.1%	Yes
Bond to equity	Not exceeding 50%	23.8%	Yes

TANGIBLE ASSETS INDICATOR

Tangible assets to total equity ratio	Not exceeding 15%	1.2%	Yes
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Risk management

InvesCore NBFJ JSC’s risk management framework is designed to define acceptable risk thresholds for each risk type and to manage these risks effectively and efficiently within annual risk appetite limits.

As part of the risk management framework, the company identifies, assesses, prevents, mitigates, and manages potential risks in business operations, establishing a control system that ensures effective risk management within the defined acceptable risk thresholds.

InvesCore NBFJ JSC has established a risk management framework based on the model of Three Lines of Defense, which is actively implemented in its operations. Each Defense Line fulfills specific functions within the risk management and control systems according to these principles.

Risk Management

Three Lines of Defense

The daily risk management activities that define the roles of detecting, reducing, controlling, and accepting risks.

Governance Documents

Policies for managing risks, related risk management policies, rules, and regulations that govern their operations.

Governance Committees

Committees that oversee the implementation of the risk management system and the acceptance criteria for risks.

InvesCore NBFJ annually conducts a Legal Compliance Assessment to ensure that the internal policies and procedures it follows are in compliance with applicable laws and regulations, and that any relevant amendments are timely reflected and implemented. Based on the assessment, the company organizes activities to ensure legal compliance and provides legal recommendations.

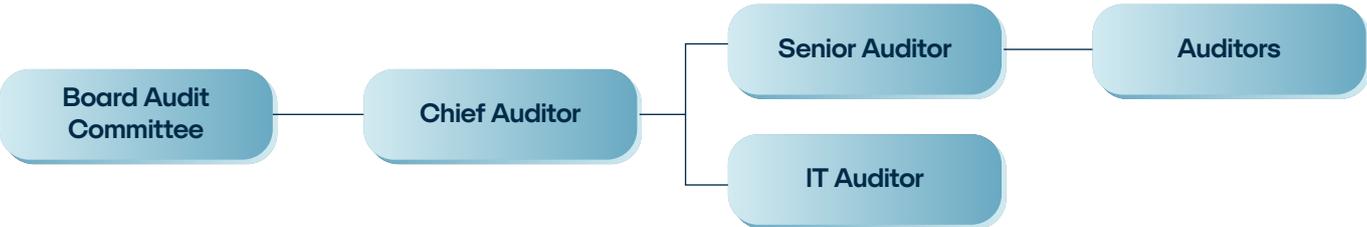
Internal Audit

The function of internal audit is to provide independent and objective assurance to improve the company’s operations and add value, as well as to offer advisory services.

In accordance with the Corporate Governance Code and the "Three Lines of Defense" model developed by the Institute of Internal Auditors (IIA), the internal audit operates independently from the Executive Management, directly reporting to the Audit Committee under the Board of Directors.

In 2024, the first-half-year plan was completed at 100%, and the second-half-year plan was completed at 125%. Specifically, four comprehensive audits and seven partial audits were conducted and reported to Board Audit Committee.

Invescore NBFJ JSC’s Internal Audit is structured into two main areas: operational audits and information technology audits.



Sustainability



Green Financing

InvesCore NBFI has introduced green loan products to the market with the aim of driving positive environmental and social change.

We support green financing and expand collaboration by offering a variety of green loans to finance projects and activities that align with sustainable development goals.

Green loan products such as business green loans, car green loans and consumer green loans.



Sustainable Funding Sources

InvesCore NBFI has successfully secured sustainable funding sources from international development investment organizations such as BlueOrchard MicroFinance Fund, Responsibility, and Lendahand, aimed at supporting micro and small business entrepreneurs.

These funds now account for 18% of the total funding. By utilizing these sustainable resources, Invescore is meeting the financial needs of its clients, supporting business growth, increasing employment, and making a significant contribution to domestic economic growth, particularly by supporting women entrepreneurs.



Gender Equality

The Management Committee serves as the key decision-making body for Invescore NBFI's daily business operations.

In 2024, this committee achieved gender balance, with an equal representation of female and male members. This enhanced the diversity of the organization's leadership and made the decision-making process more inclusive and effective.

Additionally, members of the management team and branch staff participated in the Asian Development Bank's "Gender Equality" training, where they studied international practices and gender-sensitive leadership approaches.

Human development



Employee Count

+31 new positions – Compared to the end of the previous year, the number of full-time employees has increased by 17%, reaching 214 employees. Additionally, 12 part-time positions were created in the branches



Internal Career Development

35 employees have been promoted within the company (+75%).

Training and Development: The training and development budget increased by 102%, and a total of 690 employees participated in 986 hours of training. The average training hours per employee: 8.7 hours.



Learning Culture

The TalentLMS training platform was introduced, fostering a continuous learning culture. The 'Mentormind24' program, aimed at supporting career development and peer learning, was successfully implemented over six months. Additionally, the 'One of Us' podcast was launched to provide employees with opportunities to share their stories, experiences, and work methods within the company.



Employer Branding

To openly showcase the employer brand and the company's values, the 'InvesCore Journey' Facebook page was launched.



Employee Health

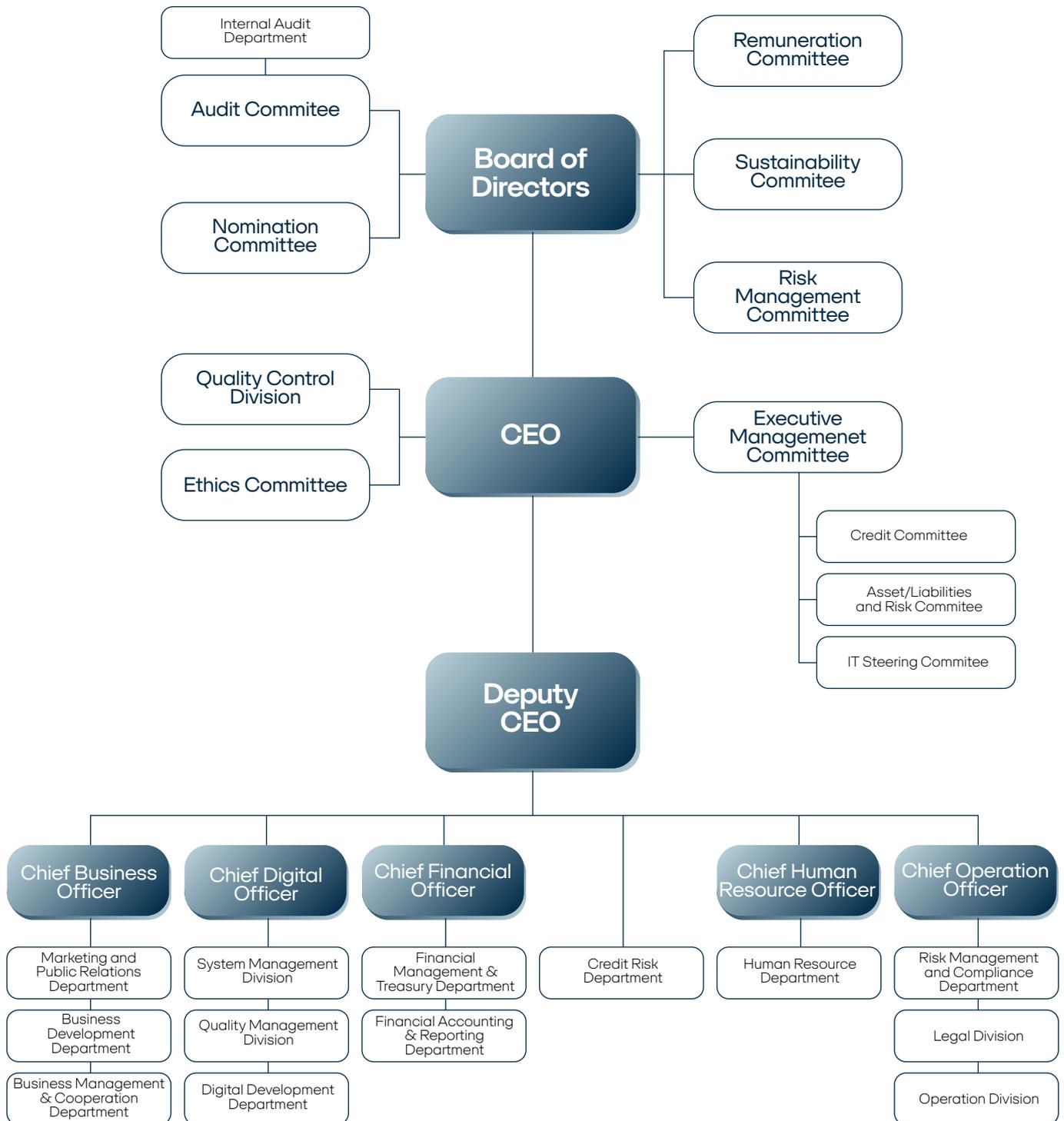
Special attention was given to employee health, with all employees enrolled in private health insurance and 100% participation in preventive health screenings.



Employee Voice

An annual employee satisfaction survey is conducted to gather feedback from all employees, which is then used to shape the organizational culture and HR practices. The company maintains open channels for employee feedback and works on addressing requests promptly.

Organizational structure



Executive management team



Bayasgalan D.
CEO



Altannavch Ts.
Chief Operations Officer



Battsetseg Z.
Chief Human
Resource Officer



Oyunchimeg Sh.
Chief Business Officer



Tuguldur O.
Chief Digital Officer



Tulga S.
Chief Investment Officer

Management of Subsidiaries



Orolmaa D.
CEO
InvesCore Wallet NBFJ LLC



Serik S. Zhanaev
CEO
InvesCore Finance MFO LLP
Kazakhstan



Kunbolot Azatbek uulu
CEO
InvesCore CA MFC
Kyrgyzstan

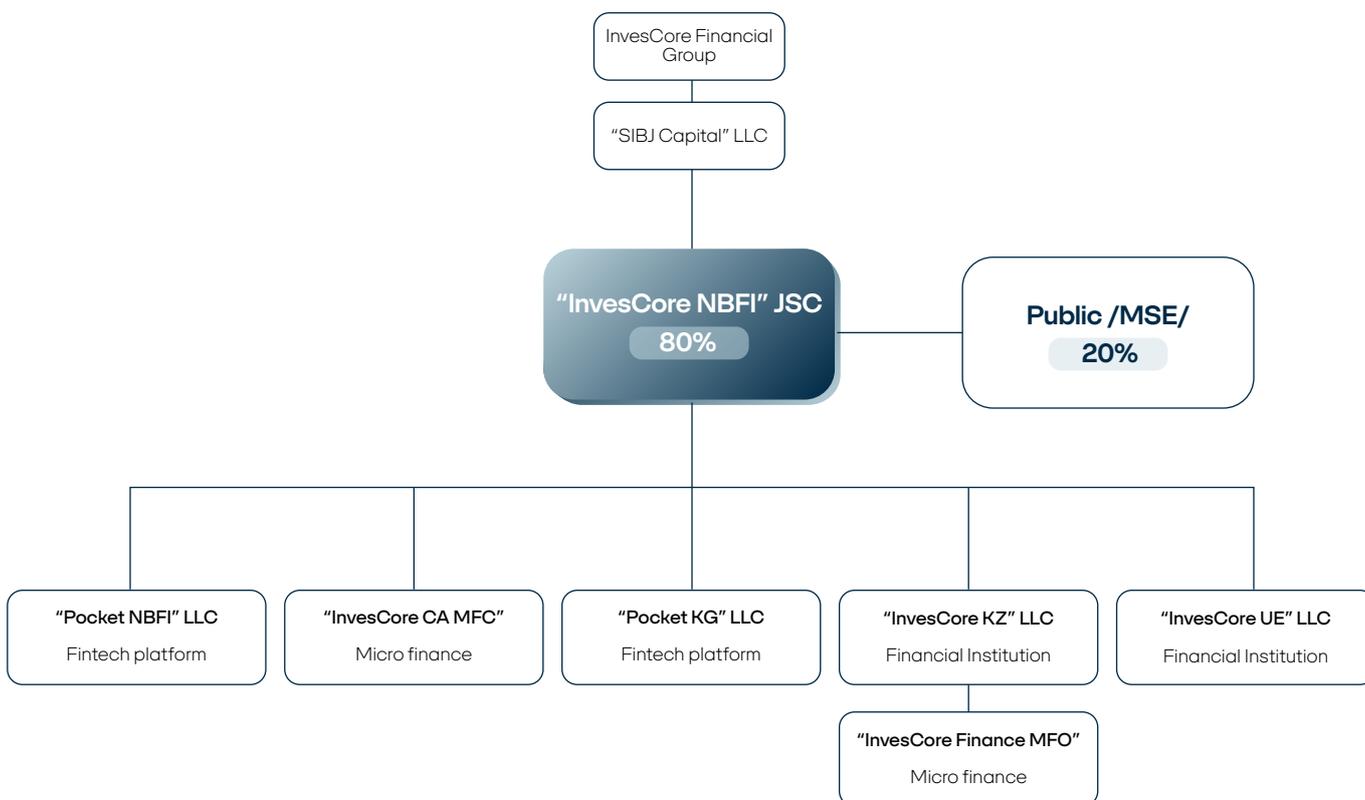
Corporate Governance

InvesCore NBFi upholds a commitment to implementing corporate governance practices that are transparent, accountable, and aligned with international best standards. The company operates with a Board of Directors (BoD) that includes a balanced representation of both independent and executive members. The BoD regularly reviews and improves policies and procedures to maintain effective oversight, ensure robust risk management, adhere to ethical standards, and foster transparency. Furthermore, InvesCore NBFi is dedicated to safeguarding the interests of its shareholders, clients, employees, and other stakeholders to ensure sustainable long-term growth.

Shareholders' Structure

InvesCore NBFi is a publicly listed company on the Mongolian Stock Exchange, where its shares are openly traded. The company's shareholding structure is transparent, with a well-established management system. Its shareholders include both domestic and international investors, strategic partners, and minority shareholders.

Shareholders' Structure



Board of directors



Ankhbold B.

Chairman of the Board of Directors



Bayasgalan D.

Member of the Board of Members



Hirohito Namiki

Member of the Board of Members



Telmen T.

Member of the Board of Members



Purev R.

Member of the Board of Members



Hashchuluun Ch.

Independent Member of the Board Directors



Enkhbat D.

Independent Member of the Board Directors



Unurjargal Ch.

Independent Member of the Board Directors

Board Committees



Board Committee composition /Board committees/

• Audit Committee	Chairman: Khashchuluun Ch.	Member: Unurjargal Ch. Purev R.
• Nomination Committee	Chairman: Khashchuluun Ch.	Member: Enkhbat D. Namiki H.
• Remuneration Committee	Chairman: Enkhbat D.	Member: Telmen T. Unurjargal Ch.
• Risk Management Committee	Chairman: Unurjargal Ch.	Member: Ankhbold B. Khashchuluun Ch.
• Sustainability Committee	Chairman: Khashchuluun Ch.	Member: Bayasgalan D. Ankhbold B.

Board Annual Report

	Composition	Meetings	Areas
Board	<p>Chairman: Ankhbold B.</p> <ul style="list-style-type: none"> Independent Directors: 3 Dependent Directors: 4 	<p>Total meeting: 36</p> <ul style="list-style-type: none"> Evoting: 26 Online meeting: 8 In person meeting: 2 	<ul style="list-style-type: none"> Approval of business plan and budget Operational, financial reports, and management team performance External and international funds Transactions with conflicts of interest
Audit Committee	<p>Chairman: Khashchuluun Ch.</p> <ul style="list-style-type: none"> Member: Unurjargal Ch. Member: Purev R. 	<p>Total meeting: 16</p> <ul style="list-style-type: none"> Evoting: 5 Online meeting: 10 In person meeting: 1 	<ul style="list-style-type: none"> Internal control, internal audit Selection and oversight of external audits Monitoring and assessing transactions with conflicts of interest
Risk Management Committee	<p>Chairman: Unurjargal Ch.</p> <ul style="list-style-type: none"> Member: Khashchuluun Ch. Member: Ankhbold B. 	<p>Total meeting: 8</p> <ul style="list-style-type: none"> Evoting: 2 Online meeting: 6 	<ul style="list-style-type: none"> Risk policy, risk appetite Risk report Loan approval within the authority granted by the Board
Sustainability Committee	<p>Chairman: Khashchuluun Ch.</p> <ul style="list-style-type: none"> Member: Bayasgalan D. Member: Ankhbold B. 	<p>Total meeting: 3</p> <ul style="list-style-type: none"> In person meeting: 1 Online meeting: 2 	<ul style="list-style-type: none"> ESG report Green financing policy Investments in ESG-related areas
Remuneration Committee	<p>Chairman: Enkhbat.D</p> <ul style="list-style-type: none"> Member: Telmen T. Member: Unurjargal Ch. 	<p>Total meeting: 1</p> <ul style="list-style-type: none"> Online meeting: 1 	<ul style="list-style-type: none"> Management team compensation and bonuses Organizational salary policy and system

Executive Compensation and Incentive Performance Criteria

The performance of the Chief Executive Officer (CEO) is assessed based on the achievement of targets set out in the Balanced Scorecard system, as outlined in the business plan. Compensation, including salary and additional incentives, is determined by the extent to which these objectives are met.

The performance criteria are organized into four key categories:

- Achievement of financial performance targets
- Achievement of market, product and service, and customer service objectives
- Achievement of internal process improvements and business development goals
- Achievement of human resources and productivity-related objectives

InvesCore FI

+976 7709-0077

info@invescore.mn

www.invescore.mn