

The Annual Report of
Mellat Investment Bank (Publicly Listed)
Year Ending on 21/03/2021



Highlights

The highlights of Mellat Investment Bank

(Restatement)

	Year Ending on 20/03/2021	Year Ending on 19/03/2020
A. Financial Performance within Period (Million IRR)		
■ Total Revenues	5,981,558	4,643,936
■ Operating Profit	5,732,591	4,504,971
■ Non-Operating Revenues	12,716	7,746
■ Net Profit	5,317,482	4,085,659
B. Closing Financial Performance (Million IRR)		
■ Total Assets	22,904,239	14,828,758
■ Total Liabilities	5,359,923	3,101,924
■ Registered Capital	11,000,000	7,000,000
■ Total Shareholder Equity	17,544,316	11,726,834
C. Yearly Rate of Return (Percentage)		
■ Return on Assets	23.2%	28%
■ Return on Equity	30.3%	35%

The highlights of Mellat Investment Bank (Consolidated)

(Restatement)

	Year Ending on 20/03/2021	Year Ending on 19/03/2020
A. Financial Performance within Period (Million IRR)		
■ Total Revenues	7,243,039	5,220,090
■ Operating Profit	6,706,474	4,972,798
■ Non-Operating Revenues	58,257	102,202
■ Net Profit	6,005,468	4,472,974
B. Closing Financial Performance (Million IRR)		
■ Total Assets	32,497,567	16,456,798
■ Total Liabilities	13,906,109	4,242,918
■ Registered Capital	11,000,000	7,000,000
■ Total Shareholder Equity	18,591,458	12,213,880
C. Yearly Rate of Return (Percentage)		
■ Return on Assets	18.5%	27.2%
■ Return on Equity	32.3%	36.6%



About Company

Background

As the third institution in the investment bank industry of Iran, Mellat Investment Bank (MIB) (Public Joint Stock) obtained its establishment license from the High Council of Stock Exchange on 302010/08/. This council is the highest constituent of the Securities and Exchange Organization (SEO). This company was registered, Reg. No. 395071, bearing nominal capital of one thousand billion IRR (paid in cash) at Tehran Non-commercial Institutions and Companies Registration Directorate on 182011/01/. The company started its activity on 072011/02/ upon obtaining the license from the SEO.

Company's Scope of Activity

According to Article 3 of the Articles of Association, the company's activities are as follows:

Main Activities: The main activities of MIB include underwriting, underwriting commitment, commitment to purchase securities at secondary offering per their financial resources or through forming a union with other similar institutions/legal entities meeting the conditions.



Auxiliary Activities:

Providing consultation regarding:

Optimal method and timing of financing and the amount of the required financial resources.

Method and proposal of securities' offering timing

Price of securities offered by the publisher.

Process of registering securities and obtaining the license for their offering.

Process of disposing securities.

Admitting the securities of the publisher at any stock exchange or market other than stock exchange and carrying out all executive affairs as representative.

Of the publisher in this regard. Merging, acquisition, and reconstruction of the organizational and financial structure of companies.

Risk Management Affairs.

Preparing companies for ranking by ranking organizations and conducting all executive affairs in this regard as their representative.

Investment Affairs.

Services required by companies regarding new investments, development, completion, plus planning, budgeting, and pricing securities.

Marketing or management of the process of disposing securities.

Carrying out executive affairs as the publisher's representative regarding registration of securities and obtaining offering license.

Rendering services pertinent to designing and publishing financial tools for companies.

Rendering asset management services.

Rendering services pertinent to investment funds, directing the aforesaid funds and investing in them.

Brokerage.

Broker/Arbitrage.

Portfolio Management.

Market Making.

Financial Information Processing.



Investing the company's surplus resources in the investment deposits at banks, valid financial and credit institutions, and banks and government-guaranteed securities; gaining the support of banks, insurances, financial and credit institutions, and financial institutions to participate in security underwriting.

Assisting companies in financing and supplying credit.

Assisting companies in issuing, confirming, and accepting letters of guarantee.

Other Activities:

Activities such as portfolio management, investment fund services, brokerage, broker/arbitrage, market making, and financial information processing can be carried out upon obtaining separate licenses from the organization. Activities such as brokerage and broker/arbitrage can be carried out merely along with activities such as market making, portfolio management, directing investment funds, underwriting commitment, and commitment regarding the purchase of securities at the secondary offering.

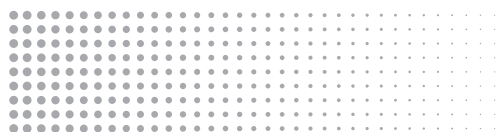
Capital & Stockholder Structure

The initial capital of MIB was paid as 1,000 billion IRR divided into one billion 1,000 IRR nominal common shares.

The final registered capital of the company in 2020-21 amounted to 11,000 billion IRR.

The following is the capital change trend registered by MIB:

#	Capital Increase Registration Date	New Capital	Capital Increase Amount	Capital Increase Percentage	Capital Increase Source
1	10-07-2012	1,150	150	15%	Stockholders' Claims
2	30-12-2012	1,550	400	35%	Stockholders' Claims
3	20-02-2014	2,000	450	29%	Stockholders' Claims
4	17-05-2015	2,500	500	25%	Stockholders' Claims
5	04-04-2016	3,000	500	20%	Stockholders' Claims
6	24-02-2018	4,000	1,000	33%	Stockholders' Claims
7	09-06-2019	5,500	1,500	38%	Stockholders' Claims
8	02-02-2020	7,000	1,500	27%	Stockholders' Contributions
9	30-12-2020	11,000	4,000	57%	Stockholders' Contributions



The company's capital amounts to 11,000 billion IRR and the stockholders' structure is manifested in index 20. It is worth noting that according to the official gazette No. 22081 dated 032021/01/, the increase of the company's capital was registered to be from 7,000 billion IRR to 11,000 billion IRR. Furthermore, by 45.4% capital increase (from 11,000 billion IRR to 16,000 billion IRR) from the matured claims of shareholders and cash contribution, MIB seeks to improve the determined ratios in the instruction of the capital adequacy of financial institutions, expanding the financing activities by increasing the company's capacity in admitting underwriting commitment, conducting securities market-making, and promoting market share in the financing industry.

MIB's Stockholders' Structure

Stockholders	Ownership Percentage
(Mellat Financial Group Company (Public Joint Stock	74%
(Atieh Khahan Capital Management Company (Private Joint Stock	5%
(Mellat Bank Brokerage Company (Private Joint Stock	0.007%
(Mellat Leasing Company (Public Joint Stock	1%
(Mellat Exchange (Private Joint Stock	1%
(Moein Mellat Investment Company (Public Joint Stock	0.64%
(Ma Insurance (Public Joint Stock	0.21%
Other Stockholders	18.15%
Total	100%

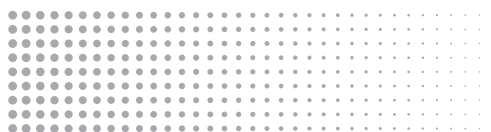


Financial Performance Review

The following is the status of comparing the Company's profit and loss within the past two fiscal years and the percentage of changes in its items:

Comparing MIB's profit and loss in the last two fiscal years (Million IRR)

	Year Ending on 20/03/2021	Year Ending on 19/03/2020	Changes (Percentage)
Revenues from Rendering Underwriting Commitment & Stock Purchase Commitment Services	1,201,301	1,201,301	-72.4%
Revenues from Rendering Market-Making & Securities Profit Services	2,486,143	2,486,143	63.2%
Revenues from Fund Management Commission	784,077	784,077	55.4%
Revenues from Rendering Financial Advisor Services	37,116	37,116	50.5%
Revenues from Banking Deposit Interests and Cash Management	1,991	1,991	138.9%
Revenues from Investment Profit	133,308	133,308	134.4%
Total Revenues	4,643,936	4,643,936	28.8%
Employees' Salary Costs	(89,919)	(89,919)	40.1%
Administrative, & General Costs	(49,046)	(49,046)	150.8%
Operating Profit	4,504,971	4,504,971	27.3%
Other Revenues & Non-Operating Costs	7,746	7,746	64.2%
Pre-tax Profit	4,512,717	4,512,717	27.3%
Current Year Income Tax	(411,915)	(411,915)	-2.7%
Previous Fiscal Years' Income Tax	(15,143)	(15,143)	78.3%
Net Profit	4,085,659	4,085,659	30.1%

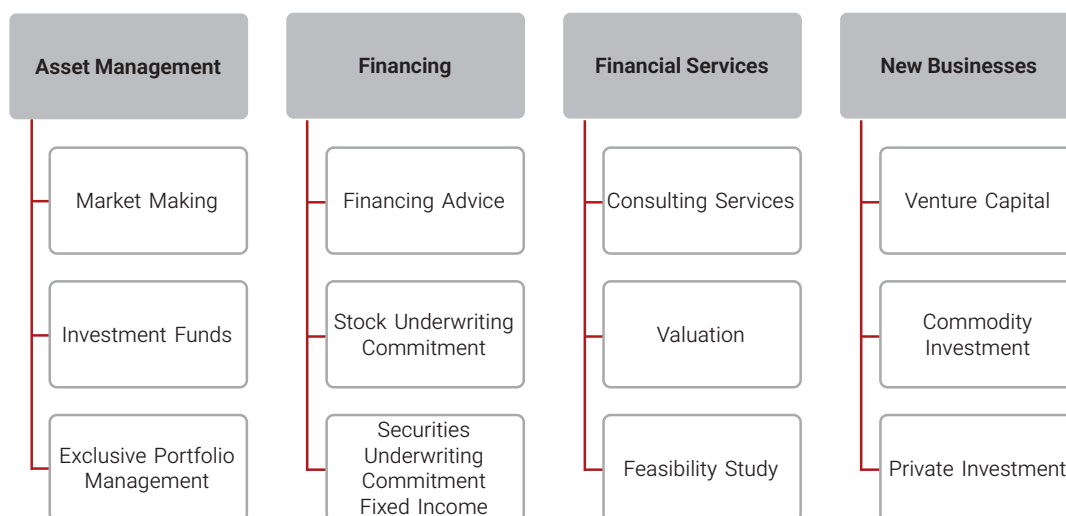


Company' Principal Financial Ratios

Ratio Type	Ratio Name	2020-2021	2019-2020
■ Profitability	Total Return on Assets	23.2%	28%
	Return on Equity	30.3%	35%
	Net Profit Margin	89%	88%
■ Capital Adequacy	Adjusted Current Ratio	4.48	4.18
	Adjusted Commitment & Liabilities Ratio	0.73	0.6

MIB's Areas of Activity

Services rendered by MIB for their investors and clients are included in Article 3 of the Articles of Association. Its areas of activity are provided in the following index.





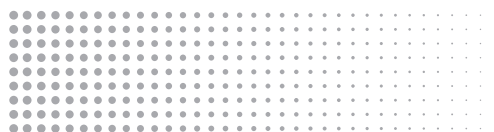
Financial Performance Review

Underwriting Commitment & Financing Services

According to Clause 29 of Article 1 of I.R. IRAN Securities and Stock Exchange Act ratified in December-November 2005, underwriting commitment includes “third parties’ commitment to purchase securities not sold within the underwriting deadline”. According to the definition of the Investment Bank, per this Act, the Investment Bank shall be entitled to provide consultation, underwrite, and carry out underwriting commitment upon receiving the license from the SEO.

Debt Securities Underwriting Commitment

Concerning financing through publishing debt securities and considering the capital structure, performance status, applicant’s profitability, plus their future plans and perspective, MIB proposes the most appropriate financing method and helps its execution as the offering advisor, committed underwriter, or market maker. This company executed 7 financing projects in 202021-, totally amounting to 112,300 billion IRR.

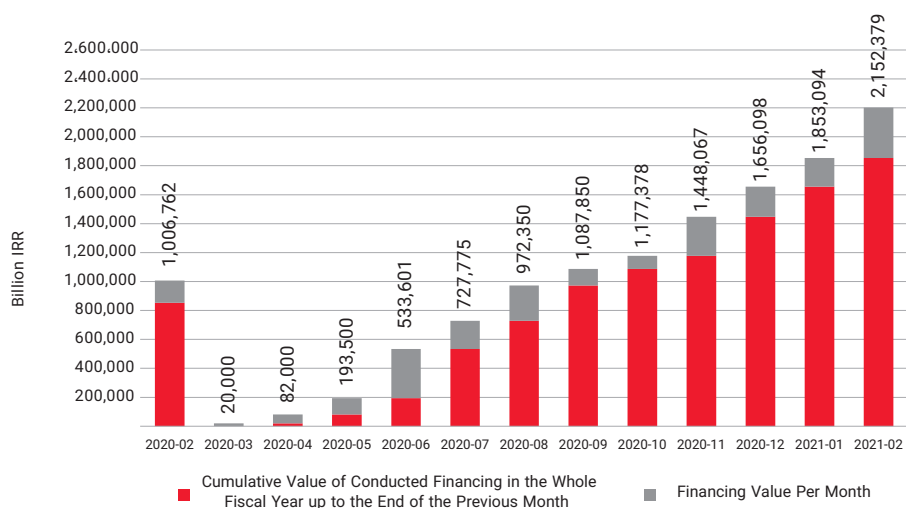


Total value of financing project via publishing various types of debt securities presented based on publishers' nature (billion IRR)

Publisher's Nature	Type of Securities	Up to the End of February-March 2021	Percent of Total	2020-2019	Percent of Total
■ Governmental	Islamic Treasury Bills	437,000	19.8%	477,742	47.45%
	Standard Parallel Salaf Securities	43,579	2%	54,000	5.36%
	Murabaha Securities	1,302,660	59.1%	110,000	10.93%
	Manfaat Securities	0	0%	240,000	23.84%
	Total	1,783,239	80.9%	881,742	87.58%
■ Municipality	Mosharekat Securities	6,000	0.3%	54,000	5.36%
	Total	6,000	0.3%	54,000	5.36%
■ Corporative	Standard Parallel Salaf Securities	215,500	9.8%	25,000	2.48%
	Murabaha Securities	14,000	0.6%	4,000	0.4%
	Debt Purchase Securities	0	0%	133	0.01%
	Mortgage-Backed Securities	10,000	0.5%	3,087	0.31%
	Manfaat Securities	2,000	0.1%	1,000	0.1%
	Mosharekat Securities	0	0%	3,000	0.3%
	Leasing Bonds	121,640	5.5%	34,800	3.46%
Total	363,140	16.5%	71,020	7.06%	
Total Securities Market		2,152,379	100%	1,006,762	100%

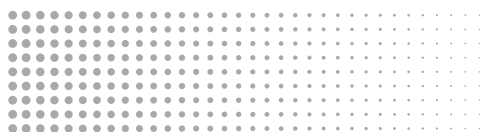


Total value of financing project via publishing various types of debt securities (billion IRR)

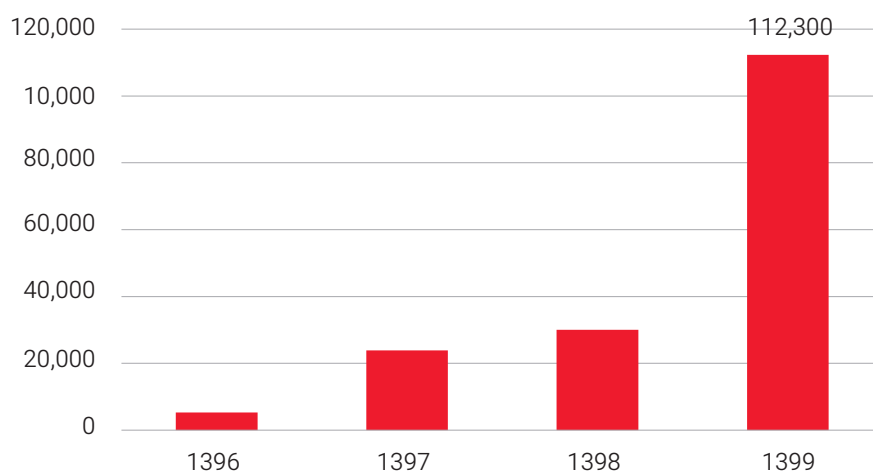


Security Underwriting Commitment Services provided by MIB in 2020-21 (Billion IRR)

Company Name	Securities Volume	Type	Company's Role	Date of Offering
■ Esfahan Mobarakeh Steel Company	30,000	Standard Parallel Salaf	Offering Advisor, Committed Underwriter, and Market Maker	19-05-2020 04-07-2020 18-07-2020
■ Persian Gulf Petrochemical Industries Corporation	10,000	Stock Put Option Bonds	Sales Representative & Offering Advisor	12-07-2020
■ Shiraz Municipality	3,000	Mosharekat	Committed Underwriter and Market Maker	21-07-2020
■ Esfahan Municipality	4,300	Mosharekat	Committed Underwriter and Market Maker	21-07-2020
■ Saba-y-Kangan Oil & Gas Industry Development Company	10,000	Standard Parallel Salaf	Offering Advisor, Committed Underwriter, and Market Maker	10-08-2020
■ Saba Arvand Oil & Gas Development Company	40,000	Standard Parallel Salaf	Offering Advisor, Committed Underwriter, and Market Maker	10-08-2020 07-09-2020
■ Gilan Regional Electric Company	15,000	Standard Parallel Salaf	Offering Advisor, Committed Underwriter, and Market Maker	14-03-2021



Security Underwriting Commitment Services provided by MIB in 2020-21 (Billion IRR)



Stock Underwriting Commitment

By virtue of the regulations approved by the SEO, in the cases of establishment and capital increase (from cash resources) of a public joint-stock company, a legal entity enjoying proper financial affordance shall take measures to admit the underwriting commitment of in-publish stocks. MIB will continue rendering these services followed by the stock offering consultation services. The following index describes the commitments fulfilled by this company in this regard:

Security Underwriting Commitment Services provided by MIB in 2020-21 (Billion IRR)

Company Name	Starting Capital	Underwriting Volume	New Capital
Kowsar Zagros Power Plant Production & Management Company	3,000	3,000	6,000
Dana Insurance Company	1,500	3,000	4,000



Financial Advisory Services

Security Offering Advisory Service

According to the regulations for the use of the security offer advisory services, and in order to facilitate evaluating the security offering requests, establish public joint stock companies, and increase the qualitative level of information, financing companies can act as an advisor for security offering in the aforesaid items for exchange and non-exchange companies.

The company has provided advisory services regarding financing a variety of projects in 2020-21, among which the following services have achieved their goals:

Security Underwriting Commitment Services provided by MIB in 2020-21 (Billion IRR)

Company Name	Type of Securities
■ Persian Gulf Petrochemical Industries Corporation	Bonds with an Embedded Put Option
■ Esfahan Mobarakeh Steel Company	Standard Parallel Salaf Securities
■ Saba-y-Kangan Oil & Gas Industry Development Company	Standard Parallel Salaf Securities
■ Saba Arvand Oil & Gas Development Company	Standard Parallel Salaf Securities
■ Bank Mellat	Stock
■ Mahtab Kahnoot Power Generation Company	Stock
■ Ma Insurance Company	Stock
■ Iran Pump Manufacturing Industries Complex	Stock
■ Piazar Agro-Industrial Company	Stock
■ National Iranian Copper Industries Company (NICICO)	Stock
■ Mehrkam Pars Company	Stock
■ Cosar Pharmaceutical Company	Stock
■ Amin Pharmaceutical Company	Stock
■ Pars Khodro	Stock
■ Gilan Regional Electric Company	Standard Parallel Salaf Securities
■ Kerman Province Development Investment Company	Stock



Security Admisson Services

MIB is working on 7 projects for admitting companies' stock as an admission advisor in the SEO or Over-the-Counter (OTC) in 2020-21. The license for them in the stock exchange and OTC markets were issued for five companies by the board of admisson in 2020-21 and the rest of the companies are in the stage of the admisson process.

Admisson Services provided in 2020-21

Company Name	Status
■ Mellat Financial Group	Admitted in Stock Exchange
■ Moein Mellat Investment Company	Admitted in Stock Exchange
■ Arian Chimia Tech Company	Admitted in Stock Exchange
■ Iran Central Iron Ore Company	Admitted in OTC
■ Gonbad Baniar Polymer Company	Admitted in OTC



Valuation Services

In general, valuation is a process of determining the current value of an asset or company on the basis of comparing that asset to similar assets or on the basis of the present value of variables that the future return on assets depends on them. The valuation covers a broad domain of objectives and applications, which includes a variety of fields such as stock offering, portfolio management, merging and possessing companies.

Having valued the governmental companies subject to disposing and companies listed in the TSE and OTC, MIB renders specialized services in the following areas:

Valuating the initial public offering (IPO) in the capital market.

Valuating block stock.

Valuating the stocks of companies listed in Stock Exchange and OTC.

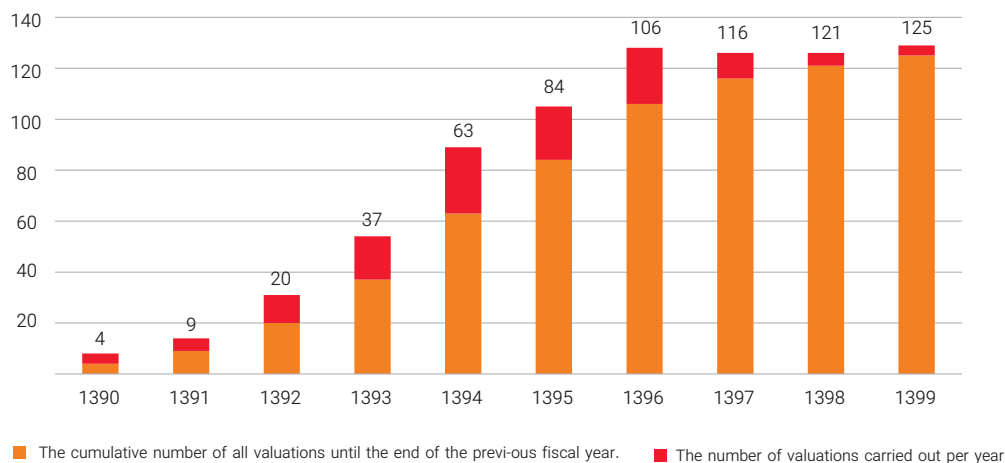
Valuating projects.

Valuating disposing ownership, merging, and possessing.

Valuating companies' stock for pledging.

The following index shows the number of companies valued by MIB. According to the index, MIB has provided 125 valuation services from its establishment date up until 20/03/2021.

Companies valued from the establishment date up to 20/03/2021.





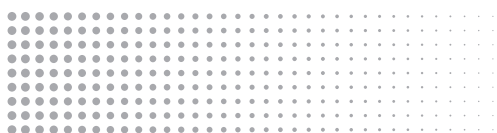
The companies include Sadr Tamin Investment Company, Iran Khodro, Amin Investment Bank, Golgohar Mining and Industrial Company (GEG), Mellat Leasing Company, Ofogh-e Kourosh Chain Store, Behpardakht Mellat, Pakshoo Industrial Group, Persian Gulf Holding, etc.

Asset Management Services

Investment Funds Management

Management of various types of investment funds is one of the significant missions of financial institutions in society to accomplish economic development, lead uncontrolled liquidity together with micro and macro deposits towards the generative sector, promote production, and reduce inflation. Proper investment and earning greater returns have always been important and now, owing to the country's financial and economic development, plus expansion of the activities of the financial markets, no individual is able to fulfill this task, and specialized work and knowledge are required to achieve this goal. Mutual funds are among the most crucial mechanisms in investment supported by specialists in the financial markets. These funds provide diverse methods for dealing with risks and returns and facilitate the process of investing, and as a result, lead to the development and expansion of the capital market. This claim has been proven thanks to the performance and rapid growth of these funds with respect to their emerging nature in Iran's financial market and considering that they have attained a special position among the investors within recent years. The investment funds developed a disparate stock portfolio and met the needs of individuals bearing different levels of risk-taking and attracted public attention towards the stock exchange market. The 52% increase in the capitals managed by the investment funds in 202021- and its increase up to 127,853 billion IRR up to 202021/03/ confirms this claim.

Thus, MIB established and managed five investment funds, three of which are fixed-income investment funds, one is a stock investment fund, and the last one is a market-making fund, and provides the investors with services through fund manager, fund officer, fund guarantor, establishment advisor, and fund founder (holding preferred investment units).



The following index shows the investment funds managed by MIB:

Investment Funds Managed by MIB

Company Name	Type of Fund	Position of MIB
Owj Mellat	With fixed Income and Forecasting Profit	Director, Registration Director, & Founder
Andookhteh Mellat	With fixed Income and Forecasting Profit	Director, Registration Director, & Founder
Atieh Mellat	With fixed Income and Forecasting Profit	Director, Registration Director, & Founder
Mellat Exclusive Market Making	Stock Market Making	Director
Ofogh Mellat (exchange-traded fund)	In Stock	Director & Founder



Owj Mellat Investment Fund

Owj Mellat investment fund is a fixed-investment and profit forecasting fund. This fund obtained its activation license, as an investment fund, from the SEO on 01/07/2012. This fund started its activity by virtue of the subject of Clause 20 of Article 1 of the Securities and Stock Exchange Act ratified in November-December 2005. This fund, bearing No. 11075, was registered at the SEO and Reg. No. 29484 at the Companies Registration Directorate. Owj Mellat investment fund obtained the required licenses from the SEO on 26/12/2015 and was transformed into a fixed-income and forecasting the profit fund. The minimum forecasted return of this fund is 17% and the interests are paid at the end of every month.



■ Fund Manager & Registration Manager	MIB
■ Liquidity Guarantor	Bank Mellat
■ Fund Officer	Ashena Investment Advisor

The status of Owj Mellat investment fund on 20-03-2021

■ Total Net Value of Fund Assets	Billion IRR 75,922
■ Number of Preferred Certificates	10,000
■ Number of Normal Certificates	75,640,725
■ Natural Entities Holding a Certificate	13,690
■ Legal Entities Holding a Certificate	117

Owj Mellat Investment Fund

Date	Net Asset Value Fun (billion IRR)	Returns
2013-03-20	85,007	20.63%
2014-03-20	91,935	19.96%
2015-03-20	73,582	15.95%
2016-03-20	51,620	23.43%
2017-03-20	45,388,867	20.29%
2018-03-20	11,997,900	19.26%
2019-03-20	33,800,798	19.92%
2020-03-20	65,420,957	21.8%
2021-03-20	75,922,421	30.3%



Andookhteh Mellat Investment Fund

Andookhteh Mellat investment fund is a fixed-investment and profit forecasting fund. This fund obtained its license, as an investment fund, from the SEO on 21/02/2012. This fund started its activity by virtue of the subject of Clause 20 of Article 1 of the Securities and Stock Exchange Act ratified in November-December 2005. Andookhteh Mellat investment fund bearing No. 11014 was registered at the SEO and Reg. No. 28823 at the Companies Registration Directorate. The minimum forecasted return of this fund is 16% and the interests are paid at the end of every month.



■ Fund Manager & Registration Manager	MIB
■ Liquidity Guarantor	Bank Mellat
■ Fund Officer	Iranian Tahlil-e Farabi Investment Advisory Company

The status of Andookhteh Mellat investment fund on 20-03-2021

■ Total Net Value of Fund Assets	Billion IRR 5,190
■ Number of Preferred Certificates	10,000
■ Number of Normal Certificates	5,163,919
■ Natural Entities Holding a Certificate	5,761
■ Legal Entities Holding a Certificate	23

Andookhteh Mellat Investment Fund

Date	Net Asset Value Fun (billion IRR)	Returns
2013-03-20	62,067	22.9%
2014-03-20	286,033	22.9%
2015-03-20	103,907	11.7%
2016-03-20	10,589,154	24.6%
2017-03-20	22,277,590	19.83%
2018-03-20	8,289,871	18.05%
2019-03-20	6,306,031	18.35%
2020-03-20	3,688,048	18.8%
2021-03-20	5,190,367	27.7%



Atieh Mellat Investment Fund

Atieh Mellat Investment Fund obtained its license as an investment fund from the SEO on 14/08/2011, by virtue of the subject of Clause 20 of Article 1 of the Securities and Stock Exchange Act ratified in November-December 2005. It was registered under Reg. 10895 at the SEO and under Reg. No. 27974 at the Companies Registration Directorate. Atieh-ye-Mellat investment fund obtained the required licenses from the SEO on 13/02/2013 and was transformed into a fixed-income and forecasting the profit fund. The minimum forecasted return of this fund is 17% and the interests are paid at the end of every month.



■ Fund Manager & Registration Manager	MIB
■ Liquidity Guarantor	Bank Mellat
■ Fund Officer	Iranian Tahlil-e Farabi Investment Advisory Company

The status of Atieh Mellat investment fund on 20-03-2021

■ Total Net Value of Fund Assets	Billion IRR 3,229
■ Number of Preferred Certificates	10,000
■ Number of Normal Certificates	3,208,410
■ Natural Entities Holding a Certificate	22,156
■ Legal Entities Holding a Certificate	11

Atieh Mellat Investment Fund

Date	Net Asset Value Fun (billion IRR)	Returns
2012-03-19	285,670	7.4%
2013-03-20	343,731	21.2%
2014-03-20	337,838	27.7%
2015-03-20	375,861	14.9%
2016-03-20	377,147	18.7%
2017-03-20	357,792	16.9%
2018-03-20	357,100	9.4%
2019-03-20	1,081,866	23.31%
2020-03-20	591,597	25.6%
2021-03-20	3,229,243	36.76%



Mellat Exclusive Market Making Investment Fund

The Mellat Exclusive Market Making Investment Fund is a market-making fund that obtained a license from the SEO on 29/02/2016. This fund started its activity as an investment fund by virtue of the subject of Clause 20 of Article 1 of the Securities and Stock Exchange Act ratified in November-December 2005. This fund bearing No. 11410 was registered at the SEO and Reg. No. 38052 at the Companies Registration Directorate. Mellat exclusive market-making investment fund obtained the required licenses from the SEO on 23/09/2018 and was transformed into a fund capable of calculating NAV separately for each share.



■ Fund Manager & Registration Manager	MIB
■ Fund Officer	Iranian Tahlil-e Farabi Investment Advisory Company
■ Share of the Subject of Market Making	Bank Mellat, Ma Insurance, Mellat Leasing, Behpardakht Mellat, Ofogh Mellat, MIB

The status of Mellat exclusive market-making fund on 20-03-2021

■ Total Net Value of Fund Assets	Billion IRR 40,111
■ Number of Preferred Certificates	200,000
■ Number of Normal Certificates	7,667,818
■ Natural Entities Holding a Certificate	-
■ Legal Entities Holding a Certificate	5

Mellat Exclusive Market Making Investment Fund's performance

Date	Net Value of Fund Asset (million IRR)	Net Value of Each Investment Unit (IRR)
2016-03-19	1,000,000	199,663
2017-03-20	574,594	1,195,826
2018-03-20	511,850	1,448,697
2019-03-20	1,220,448	3,452,252
2020-03-19	2,774,535	13,417,000
2021-03-20	5,098,081	40,110,777



Ofogh Mellat Investment Fund (exchange-traded fund)

The Ofogh Mellat Investment Fund (exchange-traded fund), bearing No. 11410 was registered at the SEO and under Reg. No. 38052 at the Companies Registration Directorate. After completion of underwriting on 01/05/2018, its secondary transactions were started in the Ofogh Mellat index on 13/06/2018. Thanks to the analyses conducted by its expert team, this fund provided proper returns in relation to the inured risk to the holders of its units. The stock portfolio of this fund indicates that considering the investment on a share, which can be justified in terms of the fundamental factors, this return was obtained by the investors by imposing the minimum risk. The portfolio of Ofoq-e-Mellat comprises main industries such as banks and credit institutions, and mining metallic minerals, chemical products, and basic metals. The Ofogh Mellat fund attained a return of 183% in 2020-21 and ranked 10th among mutual investment funds in terms of returns. Besides, considering the 155% return of the total index of the Tehran Stock Exchange (TSE) in 2020-21, the Ofogh Mellat Investment Fund achieved 30% higher profitability from the total index of the TSE.



■ Fund Manager & Registration Manager	MIB
■ Market Maker	Mellat Exclusive Market Making Investment Fund
■ Fund Officer	(Hooshyar Momayez Audit Firm (ICPA

Mellat Exclusive Market Making Investment Fund's performance

Date	Net Value of Fund Asset (million IRR)	Return of Term of Activity	Yearly Rate of Return
2019-03-20	202,166	98.5%	128%
2020-03-19	734,236	359%	133%
2021-03-20	3,399,950	1199.3%	183%

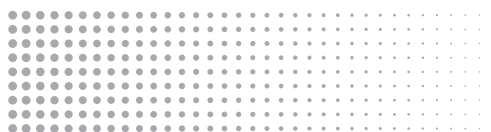


Analysis of Securities

MIB possesses three fixed-income investment funds in addition to the exchangeable Ofogh Mellat Fund. Taking into account the requirements of the Prospectus, a part of the assets of these funds must be invested in the companies listed on the TSE. In addition, the company provides its clients with market-making services. In addition to the foregoing items, a professional team for consistent analysis of securities is one of the main requirements for creating an optimal portfolio. Given that, this company took measures to make a team comprising experts with proper potentials.

Market Making Services

The main task of a market maker is to supply the appropriate liquidity for the published securities, which is carried out in the TSE, OTC, Iran Mercantile Exchange (IME), and Iran Energy Exchange. MIB rendered the following market-making services in 2020-21.



Security Market Making Services provided by MIB in 2020-21 (billion IRR)

Name of the Company Party to the Contract	Amount (Billion IRR)	Contract Conclusion Date	Due Date
Ministry of Cooperatives, Labor, and Social Welfare (the First Stage)	3,000	15-11-2016	14-11-2020
Ministry of Economic Affairs and Finance	2,000	6-02-2017	5-02-2021
Ministry of Cooperatives, Labor, and Social Welfare (the Second Stage)	3,500	6-02-2017	5-02-2021
Iran Khodro	3,500	18-02-2018	23-02-2022
Kourosh Food Industry (KFI)	500	26-06-2018	30-06-2020
Padideh Shimi Gharn Company	500	2018-09-17	21-09-2020
Saba Arvand Oil & Gas Development Company (the First Stage)	1,000	9-Jan-2019	1-02-2022
Saba Arvand Oil & Gas Development Company (the Second Stage)	7,000	12-03-2019	12-03-2022
National Iranian Oil Company (the Third Stage)	4,000	25-02-2019	10-05-2020
Shiraz Municipality	6,000	17-06-2019	19-03-2023
Saba-y-Kangan Oil & Gas Industry Development Company (the First Stage)	5,000	7-09-2019	16-09-2020
Saba-y-Kangan Oil & Gas Industry Development Company (the Second Stage)	10,000	7-09-2019	20-02-2021
Esfahan Mobarakeh Steel Company (the First Stage)	10,000	9-05-2020	19-05-2021
Esfahan Mobarakeh Steel Company (the Second Stage)	10,000	8-06-2020	4-07-2021
Esfahan Mobarakeh Steel Company (the Third Stage)	10,000	8-06-2020	18-07-2021
Esfahan Municipality	3,000	18-07-2020	20-07-2024
Esfahan Municipality	1,300	18-07-2020	20-07-2024
Shiraz Municipality	3,000	18-07-2020	20-07-2024
Saba-y-Kangan Oil & Gas Industry Development Company (the First Stage)	10,000	1-08-2020	11-08-2021
Saba Arvand Oil & Gas Development Company (the First Stage)	15,000	1-08-2020	11-08-2021
Saba Arvand Oil & Gas Development Company (the Second Stage)	25,000	1-09-2020	8-06-2023
Gilan Regional Electric Company	15,000	8-05-2020	5-03-2023



Alternative Investment

The alternative investment includes any investment carried out via the conventional investment methods such as stock, securities, etc. The alternative investment methods underwent spectacular growth in the last decades and formed a considerable section of the global economic flow. It is worth noting that this type of investment has a relatively higher risk rate, thus, more expected returns can be considered for the clients. The investment companies as a transparent, specialist, and supervised institutions enjoying a good specialized and financial potential regarding alternative investment evaluation and identification and can play a crucial role in the country's economy.

Mercantile Investment

Investment in the mercantile field was commenced in 2018-19 after conducting qualitative and quantitative research and obtaining the required approvals in the company. Therefore, MIB changed its approach regarding mercantile from indirect investment (through the company's investment funds) towards direct investment (market-making) from 19/05/2019 in order to fully enjoy the advantages of mercantile investment. Therefore, it obtained the license of market-making in the trading symbol of Refah bank gold coin deposit certificate after approval of the IME and the SEO.

On the other hand, Mellat bank established its first gold coin depository with a capacity of 150,000 full Bahar-e Azadi gold coins on 23/10/2019. Afterward, it formed the trading symbol of Mellat gold coin deposit certificate on 04/11/2019 and this deposit became marketable. After obtaining the required permits, the market-making of Mellat gold coin deposit certificate was started on 09/12/2019 by MIB. Given that more than 40% of the transactions of this symbol were carried out by this company in 2019-20.

For the purpose of fulfilling its market-making commitments, MIB took measures to carry out more than 1,350,000 transactions regarding gold coin deposit certificates, amounting to 13,500 full Bahar-e Azadi gold coins, approximately valued at 1,400 billion IRR was Refah and Mellat transactions symbols. Furthermore, this company possesses more than 390,000 gold coin deposit certificates (equal to 3,900 full Bahar-e Azadi coins).



Market-making activity for gold coin deposit certificates regarding two symbols of Refah and Mellat, and market-making of gold coin trading options contract in 2020-21, resulted in obtaining 83.9% returns. Acquired returns and profits shall be calculated in total in this period after deduction of all deductions including commissions and fulfillment of market-making commitments.

MIB manifested a better performance in regard to market-making returns of the coin deposit certificate in comparison to dollar returns and Refah coin deposit certificate at the investment market. The dollar return in Meli Exchange/ put and Refah coin deposit certificate in 2020-21 were 57.7%, 67.3%, respectively. The return achieved from performance market making of Refah and Mellat coin deposit certificates and market-making of trading option contract of gold coins was 83.9%.

Considering that currently the symbol of Refah coin, in terms of capacity and history of activity, has the highest volume of daily trades of gold coin deposit certificate at the mercantile exchange; therefore, they enjoy higher liquidity than trading symbols of gold coin deposit certificates and they are used as criteria for comparing the performance of returns in the calculations.

The following index describes the MIB's performance regarding the market making of gold coin deposit certificates in comparison to the dollar return at Melli Exchange/put, four symbols of gold coin deposit certificates, and four exchange-traded gold funds at investment market.

Besides, in a similar period, in comparison to the gold market on the basis of the total stock exchange index, the stock market return was 157.1%. Taking into account the market risk of each of these two classes of the asset, it can be helpful regarding the manner of allocation of resources with respect to the acquired return.

To develop mercantile investment, the market-making of gold coin trade option contract was started in 2020-21 after the required permits had been obtained from the IME and the TSO on 08/06/2020. Commencement of market-making in this company at the market of the trade options contracts led to the growing prosperity of this market. The approximate number of 5,200 contracts were drawn up as put and call options contract at due dates of August-September 2020, December 2020-January 2021, and April-May 2021 from the commencement of the contracts of trade options up to 11/03/2021 by MIB.

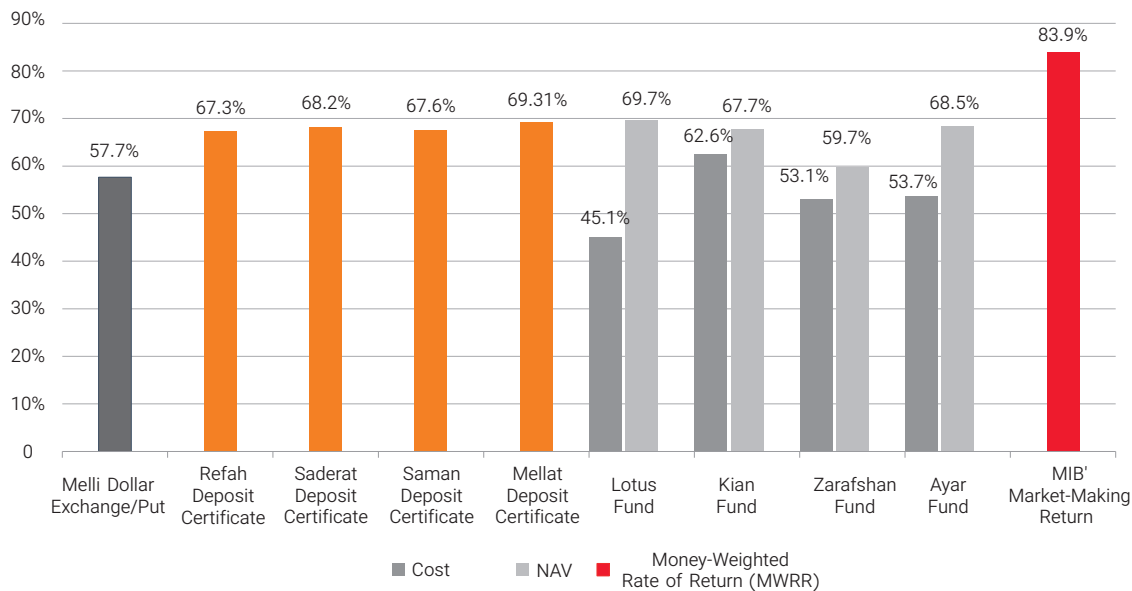


Activity in the Area of Gold

Investment in gold as a valuable and low-risk asset has a special position from investors and in general, a part of the assets of the investors are allocated to gold in various fields.

A variety of tools were developed with respect to the needs of the investors in the stock exchange market. One of these tools with ever-increasing popularity is gold coin deposit certificates. One of the most important concerns of investors holding the assets as Bahar-e Azadi gold coins is the security and transportation of coins or the money achieved from selling it when going to or returning from the exchanges or jewelry stores. Creating a secure platform for purchasing and selling coins and transferring money related to them was one of the objectives of the IME when entering the gold coin deposit certificate options. To increase the transparency and security of coin transactions, the TSE identified and approved the “mercantile deposit certificate” as a legal financial tool of the Securities and Stock Exchange from 02/06/2014. Coin certificate trades are identical to cash transactions on a secure and legal platform and result in the investors' peace of mind. Implementing a mercantile deposit certificate system for the coin can gain a variety of advantages for holders of this commodity including tax-exempt transactions and the earned profits, easy and secure trades, financing by pledging them, and reduction of risk and cost of maintaining coins in the house or stores.

One of the main components of the transactions in these markets is market-making. In accordance with the Market-Making Instruction approved by the SEO, the market maker shall increase the liquidity, regulate the supply and demand in Moein stock exchange, and restrict the oscillation range of the price of these bonds upon obtaining the respective permits from the SEO.





Business Development

The development of business requires fulfilling tasks and processes for the execution of opportunities for the development in the organizations and between organizations. Business development can be defined as a collection of ideas, innovations, and activities for the improvement of a business. This improvement includes a collection of actions for preserving and increasing income, growth in terms of development, the increase of profitability by creating a strategic partnership and making decisions regarding the business strategies. A financing company is provided with opportunities and disparate aspects regarding development. However, identifying and investigating these opportunities and selecting the right path regarding the macro strategies of organizations require research and targeted endeavors.

Given that, the business development unit of MIB took measures to identify the proper opportunities and create the optimal infrastructures to utilize the opportunities, and to have a vital role in the development of business in today's competitive atmosphere of the financing industry. The following is a collection of actions and activities regarding business development, marketing, and public relations carried out in this company:

Business Development

Designing and printing monthly analytical reports of the market (stock, mercantile, bonds with fixed-income, etc.) and distributing in both online and written form,

Preparing and developing an analytical report of the content of the new agencies, either weekly or monthly,

Preparing and developing proposals for comprehensive cooperation with target clients, and Improving the comprehensive system of investment funds managed by the company.



Marketing & Public Relations

Designing scenarios and developing motion graphics to introduce the performance of the company in publishing bonds and investment funds,

Designing and publishing advertisements in the media and press,

Designing and printing catalogs required for introducing the company and its other products,

Distributing the brochure of the company in the branches of Mellat Bank and fairs to attract clients,

Creating news content as interviews and reports regarding the companies' actions,

Printing and publishing the prominent interviews and news of the company on the company's website and virtual space,

Participating in the fairs and conferences pertinent to investment market as financial and intellectual supported to present its products and services in the specialized markets of the industries,

Preparing presents to be handed over in the fairs and conferences related to the investment market,

Interacting with economic and widely-distributed news agencies and newspapers consistently,

Developing the communication channels and promoting networks of the company,

Managing of the virtual space and social networks and their consistent update, and

Designing and creating visual content to commemorate religious events and publishing in the virtual space.



Company's Governance System

Board of Directors

The information regarding the members of the board of directors and CEO of MIB is as follows.

■ Members of the Board
of Directors

■ Representatives



SAEED ABOTALEB DIBAEI
Chairperson of the Board of Directors



SEYED NAGHI SHAMSI
Member of the Board of Directors



SEYED ROHALLAH HOSSEINI MOGHADDAM
Member of the Board of Directors & CEO



MOHSEN MOGHADDASI



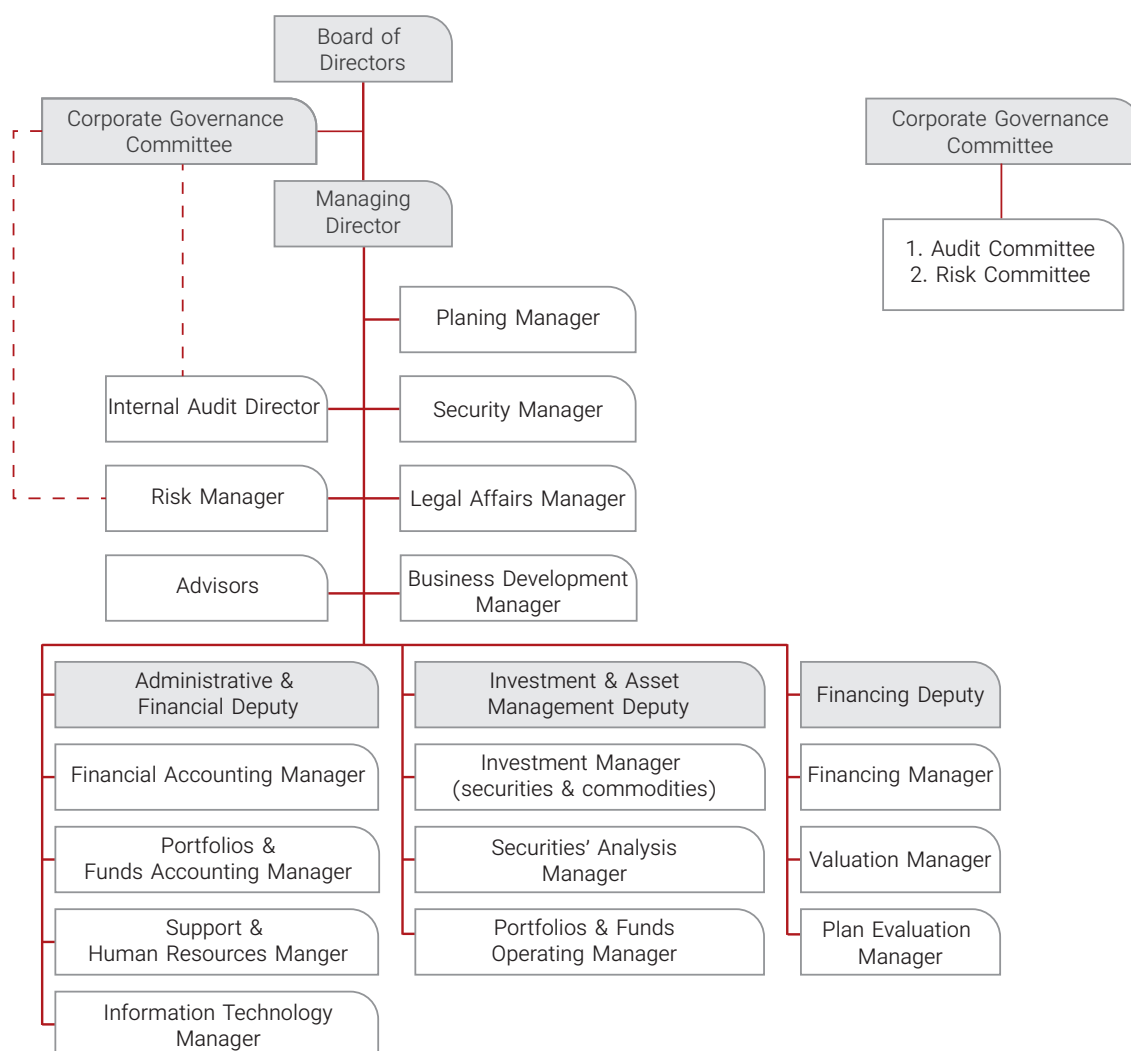
SEYED MOHAMMADREZA SADATI

The OGM held extraordinarily to elect the members of the board of directors in January-February 2021. In this meeting, Mellat Financial Group Company, Moein Mellat Development Company, Mellat Exchange, Mellat Leasing, and Mellat Bank Brokerage Company as five main members of the board of directors, Atieh Khahan Capital Management Company as the first alternate member of the board of directors, and Ma Insurance Company as the second alternative member, were all elected.



Organizational Structure

The new organizational structure was updated in accordance with the latest requirements of the industry and feedbacks regarding the previous structure in 2020-21.





Human Resources

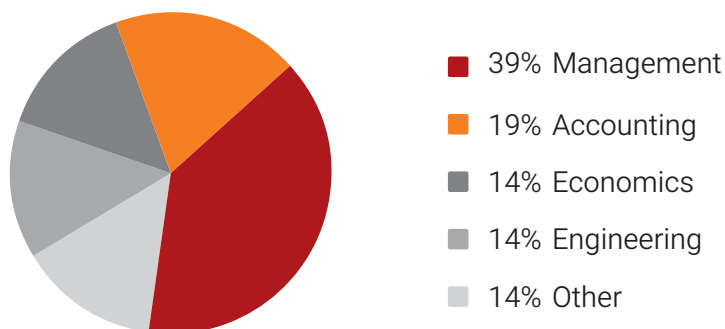
Human resources are the most vital and valuable assets of a company since humans are the origin of a company's whole resources.

The human resources report was provided according to the personnel information in the fiscal year ending on 20/03/2021. These statistics provided a report regarding the number of newly recruited and dismissed personnel, comparison between the number of personnel on the basis of gender, comparison between the number of personnel on the basis of marital status per gender, the number of personnel separated based on the related units, education, and average age of all employees in MIB.

Employees' Fields of Study

Most of the employees of MIB are graduated in the fields of Financial Management and other fields relating to Management. The second most frequent field is Accounting. The frequency of Economics and Engineering are the same.

Frequency of Employees' Fields of Study



Mean Age of Employees

The mean age of the MIB's employees was 35 on 20/03/2021.



Stock Affairs

Taking into account the admission and offering of MIB's stocks at the TSE in February-March 2021 and transforming the private joint-stock into the public joint-stock, the stock affairs unit was established under the supervision of the management of the financial affairs. The main objective was to strengthen the company's governance structure through improving correspondence to esteemed stockholders. Other tasks introduced for this unit are following-up subjects relating to depositing stock interest, stock transfer, stock registration and issuance, meetings affairs, subjects pertinent to the capital increase, providing confirmation of legal stockholders, directing the mechanized systems of stock affairs, and consequently, increasing the information transparency in the company.

Micro Stockholders' Structure (ending on 2021-03-20)

Title	Total Number of Stocks	Number of Stockholders
■ Stockholders holding more than one million shares	9,886,622,029	173
■ Stockholders holding less than one million shares	1,113,377,971	375,564
■ Total	11,000,000,000	375,737
■ Stockholders holding less than 100 thousand shares	724,410,272	374,009
■ Stockholders holding less than 10 thousand shares	342,143,483	362,547