

RSM Tajikistan

000 "РСМ ТОЧИКИСТОН" Mcx. Nº 13/24 Mapa 2024

Business center "SOZIDANIE" Ayni street 48, 4th floor Dushanbe 734024 Tajikistan **T** +992 (44) 6006370 rsm.tj

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees and the Management of the Micro Credit Fund "Imon"

Opinion

We have audited the financial statements of Micro Credit Fund "Imon" (the "Fund"), which comprise the statement of financial position as at December 31, 2023, of the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023, and its financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs)

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 Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (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.

Emphasis of Matters

To comply with the terms of Islamic finance products of the "Islamic Window" of the Fund with the requirements of Islamic banking, AAOIFI standards, specialists from the "AlHuda Center of Islamic Banking and Economics" of the UAE were involved. The audit confirmed the compliance of Islamic finance products with AAOIFI standards.

Responsibility of Management and persons responsible for corporate governance for the financial statements

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

In preparing the financial statements, Management is responsible for evaluating the Fund's ability to continue as a going concern, disclosing information related to going concern, as appropriate, and preparing the statements on the going concern basis, unless Management intends to liquidate the Fund, terminate its operations or when it has no realistic alternative other than liquidation or termination of operations.

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Tajikistan is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm each of which practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.



Those responsible for corporate governance are responsible for overseeing the preparation financial statements of the Fund.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 International Standards on Auditing 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 financial statements.

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

- identify and assess the risks of material misstatement of the 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 Fund's internal control;
- evaluate the appropriateness of the accounting policies applied and the reasonableness of accounting estimates and related disclosures prepared 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

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.

The audit partner at the time of issuing the report on the results of the independent audit opinion is Maftunzhon Baratov.

Bahrullo Mulloev Managing Partner RSM Tajikistan LLC License of the National Bank Republic of Tajikistan IBT No. 0000134 ated on 29 December 2020

March 29, 2024 Dushanbe, Tajikistan



Maftunzhon Baratov Audit Partner

1 M Berefor

LLC "RSM Tajikistan" Certificate of bank audit specialist NBT No. 0000057 dated 30 December 2015 MCF "IMON" Financial statement For the year ended December 31, 2023

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED DECEMBER 31, 2023

(In thousands of Tajik somoni)	Notes	For the year ended December 31, 2023	For the year ended December 31, 2022
ASSETS			
Due from banks	7	13,190	17,369
Loans to customers	8	52,918	40,462
Islamic finance receivables	9	18,403	11,556
Property and equipment	10	11,967	7,744
Intangible assets	11	500	503
Deferred tax assets	12	584	138
Other assets	13	5,963	7,032
TOTAL ASSETS		103,525	84,804
SHAREHOLDERS' EQUITY AND LIABILITIES LIABILITIES: Funds from banks and other financial institutions Other liabilities	14 15	10,023 4,970	288
TOTAL LIABILITIES		14,993	288
EQUITY: General reserves Reserve Retained earnings		48,210 252 40,070	48,210 - 36,306
TOTAL EQUITY		88,532	84,516
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		103,525	84,804

The financial statements for the year ended December 31, 2023 were approved and signed by the Management of the Fund on 29 March 2024:

"ИМОН" Pulotova M.T. Director D

Makhkamov M.M. Chief accountant

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2023

(in thousands of Tajik somoni)	Notes	For the year ended December 31, 2023	For the year ended December 31, 2022
CONTINUING OPERATIONS			
Interest revenue, calculated using the effective interest method	16	8,961	7,435
Accrual of allowance for expected credit losses on loans to customers		299	(124)
NET INTEREST INCOME		9,260	7,311
Income from Islamic finance activities	17	2,368	1,290
Net (loss)/gain on foreign exchange operations	18	1,100	(2,392)
(Accrual)/recovery of allowance for impairment and expected credit losses on assets	19	-	(7)
Other (expenses)/income, net	20	285	1,138
NET NON-INTEREST (EXPENSES)/INCOME		3,753	29
Operating expenses	21	(8,653)	(6,652)
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS		4,360	688
Income tax	12	(596)	(537)
Profit after tax for continuing operations		3,764	151
NET (LOSS)/PROFIT FOR THE YEAR		3,764	151
Other comprehensive income			
TOTAL COMPREHENSIVE (LOSS)/PROFIT		3,764	151

The financial statements for the year ended December 31, 2023 were approved and signed by the Management of the Fund on 29 March 2024:

"IMO Pulatova M.T. Director Jushawa uoid

Makhkamov M.M Chiev accountant

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2023

(In thousands of Tajik somoni)	General reserves	Reserve	Retained earnings	Total equity
Balance at January 1, 2022	48,210		35,938	84,148
Adjustments Comprehensive profit	-	-	217 151	217 151
Balance at December 31, 2022	48,210	-	36,306	84,516
Reserve Comprehensive profit	-	252	3,764	252 3,764
Balance at December 31, 2023	48,210	252	40,070	88,532

The financial statements for the year ended December 31, 2023 were approved and signed by the Management of the Fund on 29 March 2024:

NMÓK Pulatova M.T. ervx.m Aik Director

Makhkamov M.M. Chief accountant

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2023

(In thousands of Tajik somoni) CASH FLOWS FROM OPERATING ACTIVITIES:	For the year ended December 31, 2023	For the year ended December 31, 2022
CASH FLOWS FROM OF ERATING ACTIVITIES.		
Profit before income tax	4,360	688
Adjustments for: Change in allowance for expected credit losses on loans to customers Change in allowance for expected credit losses on assets Depreciation of property and equipment Amortization of intangible assets	(496) - 734 26	373 7 756 27
Loss on disposal of property and equipment	23	35
Change of unused vacation provision Losses on foreign exchange differences	- (1,100)	17 2,392
Income from islamic finance receivables	(2,368)	(1,290)
Net interest income	(8,961)	(7,435)
Cash flows before changes in operating assets and liabilities	(7,782)	(4,430)
Changes in operating assets and liabilities: (Increase) / decrease in operating assets: Due from banks Loans to customers Islamic finance receivables Other assets	26,729 (12,456) (6,847) 1,069	19,193 (14,644) (7,614) (4,000)
(Decrease) / increase in operating liabilities: Other liabilities	(4,682)	(951)
Outflow from operating activities before taxation and interest	(3,969)	(12,446)
Interest received Income from Islamic finance received Income tax paid	8,961 2,368 (596)	7,100 1,290 (4,811)
Net cash outflow from operating activities	6,764	(8,867)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment Proceeds from disposal of property and equipment	(4,974) (40)	(193) 19
Net cash inflow/outflow from investing activities:	(5,014)	(174)

MCF "IMON" Financial statement For the year ended December 31, 2023

CASH FLOW FROM FINANCING ACTIVITIES:

Net cash inflow from financing activities: Effect of changes in exchange rates on cash and cash equivalents

NET (DECREASE) / INCREASE IN CASH AND	(76)	(339)
CASH EQUIVALENTS	1,674	(9,380)
Cash and cash equivalents at the beginning of the year	12,176	21,556
Cash and cash equivalents at the end of the year	13,850	12,176

The financial statements for the year ended December 31, 2023 were approved and signed by the Management of the Fund on 29 March 2024.

NWO 803 Pulotova M.T. Director KPr WYER W.X.W

Makhkamov Chief accountant