

Independent Auditor's Report

To the Board of the Hungarian-Kyrgyz Development Fund

Opinion

We have audited the financial statements of the Hungarian-Kyrgyz Development Fund (hereinafter referred to as the "Fund"), which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 Fund as at 31 December 2025, and its financial performance and its 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 Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Kyrgyz Republic, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The audit of the Fund's financial statements for the year ended 31 December 2024 was conducted by another auditor, who expressed an unmodified opinion on those financial statements on 29 April 2025.

We were not engaged to audit, review, or perform any procedures with respect to the Fund's financial statements for the year ended 31 December 2024 and, accordingly, we do not express an opinion or any form of assurance on the financial statements for the year ended 31 December 2024.



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (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 assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities 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 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 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 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 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;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Engagement Partner on the audit resulting in this independent auditor's report is Borbugulova Gulnaz Taiyrbekovna.

Saidov Firuz
Managing Partner
RSM Kyrgyzstan LLC



Qualified auditor
in the Kyrgyz Republic
Qualification Certificate No. 0489
dated January 12, 2021



Borbugulova Gulnaz Taiyrbekovna
Engagement Partner
RSM Kyrgyzstan LLC



Qualified auditor
in the Kyrgyz Republic
Qualification Certificate No. 0350
dated November 06, 2015

Identification registration
Number No. 2101308
dated 08 August 2023,
registered with the
State Service for Regulation and Supervision
of the Financial Market under the Ministry of Economy
and Commerce of the Kyrgyz Republic

February 06, 2026
Bishkek, Kyrgyz Republic



STATEMENT OF FINANCIAL POSITION

In thousands of KGS	Note:	As at 31 December, 2025	As at 31 December, 2024
<i>Assets</i>			
Cash and cash equivalents	10	201,440	130,405
Deposits with banks	11	1,342,273	464,818
Loans and advances to customers	12	740,781	770,871
Property, plant and equipment and intangible assets	13	1,924	1,547
Other assets	14	623	110
Total Assets		2,287,041	1,367,751
<i>Liabilities and Equity</i>			
Other liabilities	15	4,562	3,600
Total liabilities		4,562	3,600
<i>Equity</i>			
Share capital	16	2,231,170	1,356,670
Retained earnings/(accumulated loss)		51,309	7,481
Total Equity		2,282,479	1,364,151
Total liabilities and Equity		2,287,041	1,367,751

The financial statements were approved and signed on February 6, 2026.

Sarbanov U.K.

Chairman of the Management Board

Artykbaeva M.M.

Accountant



The accompanying notes on pages 11 to 41 form an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In thousands of KGS	Note:	For the year ended 31 December 2025	For the year ended 31 December 2024
Interest and similar income	6	63,247	29,284
		<u>63,247</u>	<u>29,284</u>
Fee and commission income		30	741
Fee and commission expenses		(70)	(28)
		<u>(40)</u>	<u>713</u>
Other income		169	-
Expected credit losses (ECL)	7	(1,097)	(7,297)
Net foreign exchange gains/(losses)	8	6,183	(32,894)
Depreciation and amortisation of property, and equipment and intangible assets		(488)	(301)
Administrative and other expenses	9	(24,139)	(21,235)
Profit/(Loss) before income tax		<u>43,835</u>	<u>(31,730)</u>
Income tax expenses		-	-
Profit/(Loss) for the year		<u>43,835</u>	<u>(31,730)</u>
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		<u>43,835</u>	<u>(31,730)</u>

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Sarbanov U.K.

Chairman of the Management Board

Artykbaeva M.M.

Accountant



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STATEMENT OF CHANGES IN EQUITY

In thousands of KGS	Share capital	Retained earnings	Total
Balance as at 31 December, 2023	1,356,670	39,211	1,395,881
Loss for the year	-	(31,730)	(31,730)
Balance as at 31 December, 2024	1,356,670	7,481	1,364,151
Correction of prior period errors	-	(7)	(7)
Restated balance as at 31 December, 2024	1,356,670	7,474	1,364,144
Profit for the year	-	43,835	43,835
Contribution from the founder	874,500		874,500
Balance as at 31 December, 2025	2,231,170	51,309	2,282,479

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Artykbaeva M.M.

Accountant




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STATEMENT OF CASH FLOWS

In thousands of KGS	For the year ended 31 December, 2025	For the year ended 31 December, 2024
Cash flows from operating activities		
Interest received	59,912	28,113
Fee and commission income received	30	
Fee and commission expenses paid	(70)	(524)
Operating expenses paid	(24,157)	(21,448)
Cash flows from operating activities before changes in working capital	35,715	6,141
<i>Change in operating assets</i>		
Deposits with banks	(874,865)	(29,963)
Loans and advances to customers	35,149	(719,708)
Net cash flows from operating activities after changes in working capital	(839,716)	(749,671)
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(371)	(972)
Net cash flows used in investing activities	(371)	(972)
Cash flows from financing activities		
Increase in share capital	874,500	-
Net cash flows from financing activities	874,500	-
Effect of exchange rate changes on cash and cash equivalents	907	(20,573)
Net increase/(decrease) in cash and cash equivalents	71,035	(765,075)
Cash and cash equivalents at the beginning of the year	130,405	895,480
Cash and cash equivalents at the end of the year (Note 10)	201,440	130,405

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