

KREDITIMI RURAL I KOSOVËS LLC

**Independent Auditor's Report and
Financial Statements for the year
ended December 31, 2024 prepared
in accordance with International
Financial Reporting Standards (IFRSs)**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management of KREDITIMI RURAL I KOSOVËS L.L.C.

Opinion

We have audited the financial statements of Kreditimi Rural i Kosovës L.L.C. (the "Company" or "KRK"), which comprise the statement of financial position as at December 31, 2024, and 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 material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

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 Accountant's International Code of Ethics for Professional Accountant's (including International Independence Standards, IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 Company'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 Company'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 Company 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 material audit findings, including any material deficiencies in internal control that we identify during our audit.



Burim Cena,
Engagement Partner

BDO Kosova L.L.C.
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10 000 Prishtinë, Kosovë

April 24, 2025

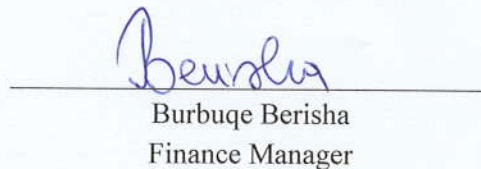
KREDITIMI RURAL I KOSOVËS LLC**Statement of financial position as at 31 December 2024***(all amounts are expressed in Euro, unless otherwise stated)*

	Notes	As at 31 December 2024	As at 31 December 2023
Assets			
Cash and cash equivalents	7	3,938,908	6,195,204
Loans and advances to customers	8	90,301,124	69,887,939
Other assets	9	162,880	276,628
Right of use assets	10	945,808	816,396
Intangible assets	11	386,932	22,645
Property and equipment	12	388,324	226,640
Total assets		96,123,976	77,425,452
Liabilities			
Income tax payable		99,101	106,070
Accruals and other liabilities	13	2,616,719	2,266,196
Lease liability	10	971,661	842,318
Borrowings	14	66,645,106	51,807,053
Total liabilities		70,332,587	55,021,637
Shareholders' Equity	15		
Share capital		489,700	489,700
Share premium		2,628,940	2,628,940
Risk fund reserve		18,904	18,904
Retained earnings		22,653,845	19,266,271
Total shareholders' equity		25,791,389	22,403,815
Total liabilities and shareholders' equity		96,123,976	77,425,452

The financial statements were authorised for issue by management on behalf of the Board of Directors of the Company, and signed on April 24, 2025 by:



Lulzim Sadrija
Chief Executive Office



Burbuqe Berisha
Finance Manager

The accompanying notes on pages 7 to 39 form an integral part of these financial statements.

KREDITIMI RURAL I KOSOVËS LLC**Statement of profit or loss and other comprehensive income for the year ended 31 December 2024***(all amounts are expressed in Euro, unless otherwise stated)*

	Notes	For the year ended 31 December 2024	For the year ended 31 December 2023
Balance as at 01 January 2023		489,700	18,904
Interest income calculated using the effective interest method	16	14,722,667	11,917,001
Interest expense calculated using the effective interest method	17	(3,713,670)	(2,352,546)
Net interest income		11,008,997	9,564,455
Other income	18	257,143	261,490
Operating income		11,266,140	9,825,945
Impairment losses on loans to customers	8	(528,555)	(388,402)
Personnel costs	19	(4,399,583)	(3,609,874)
Depreciation and amortization	10,11,12	(459,610)	(426,462)
Other general and administrative expenses	20	(1,222,868)	(979,112)
		(6,610,616)	(5,403,850)
Profit before taxation		4,655,524	4,422,095
Income tax expense	21	(474,552)	(455,098)
Profit for the year after tax		4,180,972	3,966,997
Other comprehensive income		-	-
Total comprehensive income for the year		4,180,972	3,966,997
Balance as at 31 December 2024		489,700	22,653,845

The accompanying notes on pages 7 to 39 form an integral part of these financial statements