

**“Digital CASA – Kyrgyz Republic Project”
Grant No. D279-KG, Credit No. 6200-KG,
Credit No. 7479-KG**

The project financial statement
for the period from January 1 to July 31, 2025 and
for the grace period from August 1 to November 30, 2025
and independent auditor's report



TABLE OF CONTENTS

	Page
STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE PROJECT FINANCIAL STATEMENT FOR THE PERIOD FROM JANUARY 1 TO JULY 31, 2025 AND FOR THE GRACE PERIOD FROM AUGUST 1 TO NOVEMBER 30, 2025	2
INDEPENDENT AUDITOR'S REPORT	3-4
THE PROJECT FINANCIAL STATEMENT FOR THE PERIOD FROM JANUARY 1 TO JULY 31, 2025 AND FOR THE GRACE PERIOD FROM AUGUST 1 TO NOVEMBER 30, 2025	
Summary of funds received and expenditures paid	5
Summary of expenditures paid by project parts	6
Notes to the project financial statement	7-19

"DIGITAL CASA – KYRGYZ REPUBLIC PROJECT"
GRANT NO. D279-KG, CREDIT NO. 6200-KG, CREDIT NO. 7479-KG

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE PROJECT FINANCIAL STATEMENT FOR THE PERIOD FROM JANUARY 1 TO JULY 31, 2025 AND FOR THE GRACE PERIOD FROM AUGUST 1 TO NOVEMBER 30, 2025

The following statement, which should be read in conjunction with the independent auditor's responsibilities is made with a view to distinguish the respective responsibilities of management and those of the independent auditor in relation to the project financial statement of the "Digital CASA – Kyrgyz Republic Project", financed under Grant agreement No. D279-KG, Credit agreement No. 6200-KG and additional Credit agreement No. 7479-KG (hereinafter - the "Project").

Management of the Project is responsible for the preparation of the project financial statement that present fairly, in all material respects, the summary of funds received and expenditures paid and the summary of expenditures paid by project parts for the period from January 1 to July 31, 2025 and for the grace period from August 1 to November 30, 2025 in accordance with International Public Sector Accounting Standard "Financial Reporting Under the Cash Basis of Accounting" (hereinafter - the "IPSAS") issued by the International Public Accounting Standards Board of the International Federation of Accountants and the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (hereinafter - the "WB Guidelines").

In preparing the project financial statement, management is responsible for:

- selecting suitable accounting policies and applying them consistently;
- making judgments and estimates that are reasonable and prudent;
- stating whether IPSAS and WB Guidelines have been followed, subject to any material departures disclosed and explained in the project financial statement; and
- preparing the project financial statements on the assumption that the Project will be implemented in accordance with the established period.

Management of the Project is also responsible for:

- designing, implementing and maintaining effective and sound system of internal control and for revealing risks in system of internal control;
- maintaining proper accounting records that disclose, with reasonable accuracy at any time, the Project financial position, and which enable them to ensure that the project financial statement comply with IPSAS and WB Guidelines;
- compliance with laws and regulations of the Kyrgyz Republic, and the requirements of the operational manual of the Project and the requirements of the World Bank;
- taking such steps as are reasonably available to them to safeguard the assets of the Project; and
- detecting and preventing fraud, error and other irregularities.

The project financial statement for the period from January 1 to July 31, 2025 and for the grace period from August 1 to November 30, 2025 were approved and authorized for issue on December 30, 2025 by the management of the Project.

On behalf of the Management:


Togolokov K.
PIU Director

December 30, 2025
Bishkek, the Kyrgyz Republic




Zhunushova R.
PIU Financial manager

December 30, 2025
Bishkek, the Kyrgyz Republic

INDEPENDENT AUDITOR'S REPORT

To the Management of the Project "Digital CASA – Kyrgyz Republic Project" under the Ministry of Digital Development and Innovative Technologies of the Kyrgyz Republic.

Report on the project financial statement

Opinion

We have audited the accompanying project financial statement of the Project "Digital CASA – Kyrgyz Republic Project" (hereinafter - the "Project") which comprise the summary of funds received and expenditures paid and the summary of expenditures paid by project parts for the period from January 1 to July 31, 2025 and for the grace period from August 1 to November 30, 2025 and a summary of significant accounting policies and other explanatory information (hereinafter - the "project financial statement").

In our opinion, the accompanying project financial statement present fairly, in all material respects, the summary of funds received and expenditures paid and the summary of expenditures paid by project parts for the period from January 1 to July 31, 2025 and for the grace period from August 1 to November 30, 2025 in accordance with International Public Sector Accounting Standard "Financial Reporting Under the Cash Basis of Accounting" (hereinafter - the "IPSAS") issued by the International Public Sector Accounting Standards Board of the International Federation of Accountants, and the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (hereinafter - the "WB Guidelines").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (hereinafter – "ISAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the project financial statement section of our report. We are independent of the Project in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (hereinafter - "IESBA Code") together with the ethical requirements that are relevant to our audit of the project financial statement, 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.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 2 to the project financial statement, which describe the basis of accounting. The project financial statement was prepared for complying with the appropriate World Bank Guidelines and Financing and Grant agreements requirements.

Other matter

We draw attention to the fact that the World Bank rated overall implementation progress of the Project as satisfactory in implementation status and results report as at December 25, 2025.

The project financial statements is prepared to assist the Project to comply with the requirements of the World Bank. As a result, the project financial statement may not be suitable for another purpose.

Responsibilities of management and those charged with governance for the project financial statement

Management is responsible for the preparation and fair presentation of the project financial statement in accordance with International Public Sector Accounting Standard "Financial Reporting Under the Cash Basis of Accounting" (hereinafter - the "IPSAS") issued by the International Public Accounting Standards Board of the International Federation of Accountants, and the World Bank's Financial Management Sector Board's

"Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (hereinafter - the "WB Guidelines"), and for such internal control as management determines is necessary to enable the preparation of the project financial statement that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the project financial statement

Our objectives are to obtain reasonable assurance about whether the project financial statement as a whole is 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 the project financial statement.

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 project financial statement, 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 Project'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 Project'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 project 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 Project to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the project financial statements, including the disclosures, and whether the project financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

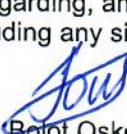
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


Kubat Alymkulov

Certified accountant, FCCA
Individual auditor registration number 11152 dated
November 16, 2023.

Registered in the Unified state register of auditors, audit organizations, and professional audit associations.

Audit Partner,
Director of Baker Tilly Bishkek LLC


Bolot Oskonbaev

Certified accountant, FCCA (United Kingdom)
Individual auditor registration number 11140 dated
November 2, 2023.

Registered in the Unified state register of auditors, audit organizations, and professional audit associations.

Audit Partner

Baker Tilly Bishkek LLC is registered in the "Register of audit organizations admitted for audit of public interest entities and large entrepreneurship entities" of the Unified state register of auditors, audit organizations, professional audit associations. Individual registration number 2101611 dated March 25, 2024.

December 30, 2025
Bishkek, the Kyrgyz Republic

“DIGITAL CASA – KYRGYZ REPUBLIC PROJECT”
GRANT NO. D279-KG, CREDIT NO. 6200-KG, CREDIT NO. 7479-KG

SUMMARY OF FUNDS RECEIVED AND EXPENDITURES PAID FOR THE PERIOD FROM JANUARY 1 TO JULY 31, 2025 AND FOR THE GRACE PERIOD FROM AUGUST 1 TO NOVEMBER 30, 2025
(in US dollars)

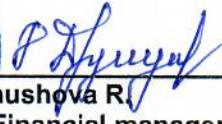
	Notes	For the grace period from August 1 to November 30, 2025	For the period from January 1 to July 31, 2025	For the year ended December 31, 2024	Cumulative
Opening balance	4	<u>694,269</u>	<u>2,001,199</u>	<u>990,262</u>	<u>-</u>
Funds received					
Credit No. 6200-KG	5	3,151,457	10,361,126	9,186,945	22,699,528
Grant No. D279-KG	5	-	4,879,330	5,697,026	22,969,030
Credit No. 7479-KG	5	-	2,065,600	-	2,065,600
Total funds received		<u>3,151,457</u>	<u>17,306,056</u>	<u>14,883,971</u>	<u>47,734,158</u>
Other income	6	<u>1,510</u>	<u>10,897</u>	<u>20,306</u>	<u>116,090</u>
Total receipts		<u>3,152,967</u>	<u>17,316,953</u>	<u>14,904,277</u>	<u>47,850,248</u>
Expenses					
I -Works, goods, consulting services, non-consulting services, training and operating costs excluding parts 1.1 (b) and (c); and 2.1 (b))	7	1,157,125	16,268,990	1,265,111	23,562,326
II -Works, goods, consulting services, non-consulting services, training parts 1.1. (b) and (c) of the project	7	2,670,677	2,334,827	12,610,600	24,163,295
III - Works, goods, consulting services, non-consulting services, training parts 2.1. (b) of the project	7	-	-	-	-
Total expenses		<u>3,827,802</u>	<u>18,603,817</u>	<u>13,875,711</u>	<u>47,725,621</u>
Other expenses	8	<u>510</u>	<u>20,066</u>	<u>17,629</u>	<u>105,703</u>
Closing balance	4	<u>18,924</u>	<u>694,269</u>	<u>2,001,199</u>	<u>18,924</u>

On behalf of the Management:


Togolokov K.
PIU Director

December 30, 2025
Bishkek, the Kyrgyz Republic




Zhunushova R.
PIU Financial manager

December 30, 2025
Bishkek, the Kyrgyz Republic

The notes on pages 7-19 form an integral part of the project financial statements. The independent auditor's report is on pages 3-4.

“DIGITAL CASA – KYRGYZ REPUBLIC PROJECT”
GRANT NO. D279-KG, CREDIT NO. 6200-KG, CREDIT NO. 7479-KG

**SUMMARY OF EXPENDITURES PAID BY PROJECT PARTS FOR THE PERIOD FROM JANUARY 1 TO JULY 31, 2025 AND FOR THE GRACE PERIOD FROM AUGUST 1 TO NOVEMBER 30, 2025
(in US dollars)**

	For the grace period from August 1 to November 30, 2025	For the period from January 1 to July 31, 2025	For the year ended December 31, 2024	Cumulative
Part 1. Regional digital connectivity infrastructure	2,670,677	2,334,827	12,610,600	24,526,812
Part 2. Regional datacenters and digital platforms	1,157,125	15,814,199	729,708	17,891,058
Part 3. Enabling environment for digital economy	-	269,762	265,270	3,534,081
Part 4. Project management	-	185,029	270,133	1,773,670
	<u>3,827,802</u>	<u>18,603,817</u>	<u>13,875,711</u>	<u>47,725,621</u>

On behalf of the Management:

Togolokov K
PIU Director

December 30, 2025
Bishkek, the Kyrgyz Republic

Zhunushova R.
PIU Financial manager

December 30, 2025
Bishkek, the Kyrgyz Republic

The notes on pages 7-19 form an integral part of the project financial statements. The independent auditor's report is on pages 3-4.

**“DIGITAL CASA – KYRGYZ REPUBLIC PROJECT”
GRANT NO. D279-KG, CREDIT NO. 6200-KG, CREDIT NO. 7479-KG**

**NOTES TO THE PROJECT FINANCIAL STATEMENT FOR THE PERIOD FROM JANUARY 1 TO JULY 31,
2025 AND FOR THE GRACE PERIOD FROM AUGUST 1 TO NOVEMBER 30, 2025
(in US dollars)**

1. GENERAL INFORMATION

According to the Financing agreement between the Kyrgyz Republic and International Development Association (hereinafter - the “IDA”) signed on July 2, 2018, the IDA provided Grant No. D279-KG in the amount of 17,200,000 Special Drawing Rights and Credit No. 6200-KG in the amount of 17,200,000 Special Drawing Rights (hereinafter – the “SDR”) to the Kyrgyz Republic.

Also, according to the Financing agreement for additional financing between the Kyrgyz Republic and International Development Association signed on February 12, 2024, the IDA provided Credit No. 7479-KG in the amount of 7,000,000 US dollars.

The Credits and the Grant were provided for implementation of the Project “Digital CASA – Kyrgyz Republic Project” (hereinafter - the “Project”).

Project purpose

The objectives of the Project are: to increase access to more affordable internet; to crowd-in private investment in the Information and Communication technology (hereinafter - the “ICT”) sector; and to improve the Kyrgyz Republic’s capacity to deliver digital government services, by contributing to the development of a regionally integrated digital infrastructure and enabling environment.

The Project comprises the following parts:

Part 1: Regional digital connectivity infrastructure;

Part 2: Regional datacenters and digital platforms;

Part 3: Enabling environment for digital economy;

Part 4: Project management.

Part 1: Regional digital connectivity infrastructure

1.1. Improving Regional Connectivity

Carrying out of a comprehensive program for the pre-purchase of bundles of communications services, including international and, where applicable, domestic connectivity, including:

- a) Carrying out of a feasibility study on the backbone and services requirements for the expansion of the Kyrgyz portion of the regional backbone network, including the design of said backbone and services requirements;
- b) Provision of the communications services for the expansion of the Kyrgyz portion of the regional backbone network, in selected areas, through: (i) support in the procurement process for the selection of operators; and (ii) provision of the pre-purchase of said communications services; and
- c) Provision of third-party verification of the deployed infrastructure.

1.2. Increasing the Security, Capacity and Reach of “G-Net” Network

- a) Provision of support to increase security, capacity, and geographic reach of the Recipient's internal digital network G-Net, through design of G-Net and development of the bidding documentation for the selection of a vendor to deploy the necessary hardware and software in target public sector institution;
- b) Provision of support for the procurement of digital platforms and shared services such as authentication and identity management, e-signature, unified notification and payment platforms, interoperability, cybersecurity, and application/data sharing platforms.

Part 2: Regional datacenters and digital platforms

2.1. Government Cloud Infrastructure (G-Cloud)

- a) Development of a design for establishing the G-Cloud;
- b) Procurement of the equipment and related services for the creation of the G-Cloud.

2.2. Digital Platforms and Shared Services.

Provision of support for the procurement of digital platforms and shared services

Part 3: Enabling environment for digital economy

3.1 Legal, Regulatory and Institutional Foundations for Digital Economy

Carrying out of a program to strengthen and harmonize, at the regional and national levels, the legal and regulatory frameworks, and the institutional and human capacity to support the activities under Parts 1 and 2 of the Project, including:

- a) Conducting of a legal and regulatory framework gap analysis for the digital economy aimed at identifying potential barriers at the regional and national levels for implementation of the activities under Parts 1.1 and 2.1 above, and to guide the implementation of activities under Part 3;
- b) Development of the legal and regulatory framework, including provision of Training, in the field of electronic communication, to promote competition in the telecom market, facilitate cross-border connectivity, facilitate the establishment of PPPs in the sector, and create a regionally harmonized enabling environment for open access and cross-sector infrastructure sharing; and
- c) Provision of technical assistance and Training with respect to, *inter alia*, digital economy policy, strategy and action planning, standards and legal and regulatory development in the area of digital economy (including digital government enterprise architecture and interoperability framework, ICT procurement for public sector institutions, datacenter infrastructure, shared platforms including electronic identification and authentication and other common services, and smart solutions, smart city, intellectual property rights, personal data protection, crossborder data transfer and hosting, and emerging technologies).

3.2 Regional Partnerships for Digital Economy Skills, Jobs and Innovations

Carrying out of the following activities:

- a) Development of the Digital Economy Competency Framework and the initial offering of courses and workshops and for training of trainers; and
- b) Provision of leadership and technical training to enable public officials, ICT professionals, and other citizens, especially women, youth, and disadvantaged groups, to acquire digital economy competencies.

3.3 Digital Leadership and Strategic Communications

- a) Carrying out of outreach and communications activities;
- b) Development and implementation of a strategic communications program, including support for the organization of public information and awareness building campaigns, knowledge-sharing seminars, workshops, and conferences;
- c) Creation and management of strategic partnerships with local and foreign governmental agencies, donors, nongovernmental organizations, and other entities, to raise and manage additional funding and other resources.

Part 4: Project management

Carrying out of Project management activities, including support for the Project Implementation Unit, monitoring and evaluation, and audit; and provision of support for the Kyrgyz Republic's participation in regional coordination activities and related consultations at the regional level.

Project management

The Management is implemented by the Project Implementation Unit (hereinafter - the "PIU") under the Ministry of Digital Development and Innovative Technologies of the Kyrgyz Republic.

The original Project completion date was May 31, 2023, with a grace period until September 30, 2023. However, according to the letter received from the World Bank on May 19, 2023, an extension of the Project closing date has been approved until April 30, 2025, including a grace period until August 31, 2025.

According to the Financing agreement for additional financing between the Kyrgyz Republic and International Development Association signed on February 12, 2024, the Project closing date has been extended until July 31, 2025, including a grace period until November 30, 2025.

2. PRESENTATION OF THE PROJECT FINANCIAL STATEMENT

Basis of preparation

The project financial statement has been prepared in accordance with the International Public Sector Accounting Standard (hereinafter - the "IPSAS") "Financial Reporting under the Cash Basis of Accounting" issued by the Public Sector Committee of the International Federation of Accountants, and incorporate the following principal accounting policies, which have been consistently followed in all material respects and comply with the World Bank's Financial Management Sector Board's "Guidelines: Annual Financial Reporting and Auditing for World Bank Financed Activities" (hereinafter - the "WB Guidelines").

Under the cash basis system income (or expenditure) is recognized when cash is received (or paid) irrespective of when goods or services are received or provided.

The Project's approved budget disclosed by categories of expenses is not publicly available and as such comparison of budget and actual amounts is not presented.

The project financial statement consists of:

- Summary of funds received and expenditures paid;
- Summary of expenditures paid by project parts;
- Notes to the project financial statement, including short description of main statements of accounting policy and other descriptive notes.

The reporting currency of the project financial statement is US dollars (hereinafter - the "USD").

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash basis of accounting

The project financial statement is prepared on a cash basis of accounting. The cash basis of accounting recognizes transactions and events only when cash (including cash equivalents) is received or paid. The project financial statement prepared under the cash basis provide readers with information about the sources of cash raised during the period, the purposes for which cash was used and the cash balances at the reporting date. The measurement focus in the project financial statement is balances of cash and changes therein.

Foreign currency

Operations in foreign currency initially are counted in functional currency using the currency exchange rate settled by the commercial bank Aiyil Bank OJSC on a date of operation.

Funds received are translated into US dollars at official exchange rate of Special Drawing Rights (hereinafter - the "SDR") at the date of funds receipt.

All payments made in local currency are translated into US dollars at the official exchange rate defined by the serving commercial bank at the date of transaction.

Monetary assets and liabilities expressed in foreign currency are converted to functional currency at official exchange rate on a date settled by the commercial bank.

All exchange differences arising from the redemption or revaluation of monetary items are included in the summary of funds received and expenditures paid.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and due from banks, which can be converted to the corresponding amount of cash in the short term.

Taxes

Calculation and payment of personal income tax and social security contributions from income of staff and consultants is made in accordance with the requirements and rates of the Tax Code of the Kyrgyz Republic and relevant legislation of the Kyrgyz Republic.

Expenses

The expenses are recorded in the period when they were actually paid.

Sources of funds

The funds were provided by the IDA to the Project by initial deposit and replenishment of designated account and direct payment.

Other income

Other income represents interest income accrued by the serving commercial bank "Aiyl Bank" OJSC on the outstanding balances of cash on designated account and income from selling of tender documents.

Other expenses

Other expenses comprise payments for bank services and transfer of interest income to Ministry of Finance of the Kyrgyz Republic.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at November 30, 2025, July 31, 2025 and December 31, 2024 are presented as follows:

	Source of financing	Currency	November 30, 2025	July 31, 2025	December 31, 2024
Escrow account	Credit No. 6200-KG	US dollar	8,350	-	-
Designated account	Credit No. 6200-KG	US dollar	-	128,849	999,940
Designated account	Grant No. D279-KG	US dollar	-	555,846	982,703
Interest account	Other	US dollar	10,574	9,574	18,556
			<u>18,924</u>	<u>694,269</u>	<u>2,001,199</u>

PIU opened an escrow account in Aiyl Bank OJSC (hereinafter - the "Bank") on September 8, 2025. In accordance with the Escrow agreement, PIU gives its consent to the Bank to direct acceptance-free debit of 8,350 US dollars from the escrow account to account of Baker Tilly Bishkek LLC as a payment for the audit services provided (Note 13).

5. FUNDS RECEIVED

The funds received are presented by the following methods and sources of financing:

	For the grace period from August 1 to November 30, 2025	For the period from January 1 to July 31, 2025	For the year ended December 31, 2024	Cumulative
Grant No. D279-KG				
Direct payment	-	2,860,430	4,316,762	13,719,168
Initial deposit	-	-	-	1,209,907
Replenishment of designated account	<u>-</u>	<u>2,018,900</u>	<u>1,380,264</u>	<u>8,039,955</u>
	<u>-</u>	<u>4,879,330</u>	<u>5,697,026</u>	<u>22,969,030</u>
Credit No. 6200-KG				
Direct payment	3,151,457	10,113,784	8,186,945	21,452,186
Initial deposit	<u>-</u>	<u>247,342</u>	<u>1,000,000</u>	<u>1,247,342</u>
	<u>3,151,457</u>	<u>10,361,126</u>	<u>9,186,945</u>	<u>22,699,528</u>
Credit No. 7479-KG				
Direct payment	<u>-</u>	<u>2,065,600</u>	<u>-</u>	<u>2,065,600</u>
	<u>-</u>	<u>2,065,600</u>	<u>-</u>	<u>2,065,600</u>
	<u>3,151,457</u>	<u>17,306,056</u>	<u>14,883,971</u>	<u>47,734,158</u>

6. OTHER INCOME

Other income is presented as follows:

	For the grace period from August 1 to November 30, 2025	For the period from January 1 to July 31, 2025	For the year ended December 31, 2024	Cumulative
Interest income	1,510	10,897	20,306	114,908
Sale of tender documents	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,182</u>
	<u>1,510</u>	<u>10,897</u>	<u>20,306</u>	<u>116,090</u>

7. EXPENSES

Expenses by components are presented in the summary of expenditures paid by project components. The Project expenses on major categories are presented in the summary of funds received and expenditures paid. Breakdowns of the Project expenses by categories, nature and sources of financing for the period from January 1 to July 31, 2025 and for the grace period from August 1 to November 30, 2025 are presented as follows:

For the grace period from August 1 to November 30, 2025

	Grant No. D279-KG	Credit No. 6200-KG	Credit No. 7479-KG	Total
Non-consultant's services	41,689	2,628,988	-	2,670,677
Goods	<u>514,157</u>	<u>642,968</u>	<u>-</u>	<u>1,157,125</u>
	<u>555,846</u>	<u>3,271,956</u>	<u>-</u>	<u>3,827,802</u>

For the period from January 1 to July 31, 2025

	Grant No. D279-KG	Credit No. 6200-KG	Credit No. 7479-KG	Total
Non-consultant's services	1,600,000	631,265	-	2,231,265
Consultant's services:				
<i>International consultants</i>	35,000	-	-	35,000
<i>Local consultants</i>	352,643	18,483	-	371,126
Operating costs				
<i>Payroll and related taxes</i>	125,983	-	-	125,983
<i>Audit expenses</i>	8,350	-	-	8,350
<i>Business trip expenses</i>	847	-	-	847
<i>Other</i>	12,673	10	-	12,683
Training				
<i>International training</i>	4,364	-	-	4,364
<i>Local training</i>	-	-	-	-
Goods	3,166,327	10,582,272	2,065,600	15,814,199
Customs costs	-	-	-	-
	<u>5,306,187</u>	<u>11,232,030</u>	<u>2,065,600</u>	<u>18,603,817</u>

	For the year ended December 31, 2024			
	Grant No. D279-KG	Credit No. 6200-KG	Credit No. 7479-KG	Total
Non-consultant's services	4,316,762	8,186,945	-	12,503,707
Consultant's services:	-	-	-	-
<i>International consultants</i>	301,902	-	-	301,902
<i>Local consultants</i>	224,866	-	-	224,866
Operating costs	-	-	-	-
<i>Payroll and related taxes</i>	221,847	-	-	221,847
<i>Audit expenses</i>	9,519	-	-	9,519
<i>Business trip expenses</i>	1,861	-	-	1,861
<i>Other</i>	7,754	-	-	7,754
Training	-	-	-	-
<i>International training</i>	28,464	-	-	28,464
<i>Local training</i>	-	-	-	-
Goods	487,120	-	-	487,120
Customs costs	88,671	-	-	88,671
	<u>5,688,766</u>	<u>8,186,945</u>	<u>-</u>	<u>13,875,711</u>

	Cumulative			
	Grant No. D279-KG	Credit No. 6200-KG	Credit No. 7479-KG	Total
Non-consultant's services	12,500,427	11,447,198	-	23,947,625
Consultant's services	-	-	-	-
<i>Local consultants</i>	3,629,693	18,483	-	3,648,176
<i>International consultants</i>	881,716	-	-	881,716
Operating costs	-	-	-	-
<i>Payroll and related taxes</i>	1,252,333	-	-	1,252,333
<i>Business trip expenses</i>	35,425	-	-	35,425
<i>Audit expenses</i>	55,444	-	-	55,444
<i>Other</i>	50,888	10	-	50,898
Training	-	-	-	-
<i>International training</i>	135,274	-	-	135,274
<i>Local training</i>	26,262	-	-	26,262
Goods	4,312,957	11,225,240	2,065,600	17,603,797
Customs costs	88,671	-	-	88,671
	<u>22,969,090</u>	<u>22,690,931</u>	<u>2,065,600</u>	<u>47,725,621</u>

8. OTHER EXPENSES

Other expenses are presented as follows:

	For the grace period from August 1 to November 30, 2025	For the period from January 1 to July 31, 2025	For the year ended December 31, 2024	Cumulative
Transfer of accrued interest income to the Ministry of Finance of the Kyrgyz Republic	-	18,556	15,879	95,520
Bank services	510	1,323	1,750	8,813
Other	-	187	-	1,370
	<u>510</u>	<u>20,066</u>	<u>17,629</u>	<u>105,703</u>

9. FINANCIAL POSITION

Financial position as at November 30, 2025, July 31, 2025 and December 31, 2024 is as follows:

	November 30, 2025	July 31, 2025	December 31, 2024
ASSETS AND EXPENDITURES			
Cash and cash equivalents	18,924	694,269	2,001,199
Cumulative expenses	47,725,621	43,897,818	25,294,001
Other expenses	<u>105,703</u>	<u>105,195</u>	<u>85,126</u>
TOTAL ASSETS AND EXPENDITURES	<u>47,850,248</u>	<u>44,697,282</u>	<u>27,380,326</u>
FINANCING			
Funds received	47,734,158	44,582,702	27,276,644
Other income	<u>116,090</u>	<u>114,580</u>	<u>103,682</u>
TOTAL FINANCING	<u>47,850,248</u>	<u>44,697,282</u>	<u>27,380,326</u>

10. WITHDRAWAL APPLICATIONS

Withdrawal applications for the period from January 1 to July 31, 2025 and for the grace period from August 1 to November 30, 2025 are presented as follows:

Sources of financing	Application	Date	Initial deposit	Replenishment of designated account	Direct payment	Total
IDA Grant No. D279-KG						
33		February 24, 2025	-	656,800	-	656,800
34		March 12, 2025	-	-	1,600,000	1,600,000
40		May 1, 2025	-	978,303	-	978,303
42		June 9, 2025	-	-	980,286	980,286
43		June 18, 2025	-	-	280,144	280,144
44		July 16, 2025	-	383,797	-	383,797
			<u>-</u>	<u>2,018,900</u>	<u>2,860,430</u>	<u>4,879,330</u>

IDA Credit No. 6200-KG

31	January 21, 2025	-	-	302,880	302,880
32	January 21, 2025	-	-	9,279,639	9,279,639
34	February 21, 2025	-	-	-	-
35	March 12, 2025	-	-	531,265	531,265
37	March 12, 2025	247,342	-	-	247,342
41	May 2, 2025	-	-	-	-
		<u>247,342</u>		<u>10,113,784</u>	<u>10,361,126</u>

IDA Credit No.7479-KG

38	April 17, 2025	-	-	1,449,300	1,449,300
39	May 12, 2025	-	-	616,300	616,300
		-	-	2,065,600	2,065,600
		<u>247,342</u>	<u>2,018,900</u>	<u>15,039,814</u>	<u>17,306,056</u>

Sources of financing	Application	Date	Initial deposit	Replenishment of designated account	Direct payment	Total
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IDA Grant No. D279-KG

45	August 13, 2025	-	-	-	-	-
46	August 19, 2025	-	-	-	-	-
		-	-	-	-	-

Sources of financing	Application	Date	Initial deposit	Replenishment of designated account	Direct payment	Total
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IDA Credit No. 6200-KG

47	August 22, 2025	-	-	2,628,988	2,628,988
50	August 29, 2025	-	-	522,469	522,469
52	September 22, 2025	-	-	-	-
		-	-	3,151,457	3,151,457
		-	-	3,151,457	3,151,457

Within the framework of the Project, the following expenditures were documented:

- under Application No. 34 dated 21 February 2025, Credit No. 6200-KG –1,000,000 US dollar;
- under Application No. 41 dated 2 May 2025, Credit No. 6200-KG –100,010 US dollar;
- under Application No. 45 dated 13 August 2025, Grant No. D279-KG – 414,944 US dollar;
- under Application No. 46 dated 19 August 2025, Grant No. D279-KG – 555,846 US dollar;
- under Application No. 52 dated 22 August 2025, Credit No. 6200-KG – 147,332 US dollar.

11. STATEMENT OF DESIGNATED ACCOUNT

Statement of designated account for the period from January 1 to July 30, 2025 and for the grace period from August 1 to November 30, 2025 is presented as follows:

Source of financing	Grant No. D279-KG	Credit No. 6200-KG	Credit No. 7479-KG	Total
Bank		Aiyl Bank OJSC		
Bank account	13501080379382 71	13501080384104 40	13501080384104 40	
Currency	US dollar	US dollar	US dollar	
Bank's location	14 Logvinenko str., Bishkek, Kyrgyz Republic			
Balance as at December 31, 2023	974,383	-	-	974,383
Initial deposit	-	1,000,000	-	1,000,000
Replenishment of designated account	1,380,264			1,380,264
Total funds received	1,380,264	1,000,000	-	2,380,264
Expenses paid	1,000,517	60	-	1,000,577
Transfer to transit account	371,427	-	-	371,427
Balance as at December 31, 2024	982,703	999,940	-	1,982,643
Initial deposit	-	247,342	-	247,342
Replenishment of designated account	2,018,900	-	-	2,018,900
Total funds received	2,018,900	247,342	-	2,266,242
Expenses paid	1,335,499	1,118,433	-	2,453,932
Transfer to transit account	1,110,258	-	-	1,110,258
Balance as at July 31, 2025	555,846	128,849	-	684,695
Initial deposit	-	-	-	-
Replenishment of designated account	-	-	-	-
Total funds received	-	-	-	-
Expenses paid	555,846	120,499	-	676,345
Transfer to escrow account	-	8,350	-	8,350
Transfer to transit account	-	-	-	-
Balance as at November 30, 2025	-	-	-	-

12. UNDRAWN FUNDS

Undrawn funds as at November 30, 2025 are presented as follows:

	Grant No. D279-KG in SDR	Credit No. 6200-KG in SDR	Credit No. 7479-KG in US dollars
Approved amount of financing			
Disbursed during the period from February 20 to December 31, 2019	17,200,000	17,200,000	7,000,000
Disbursed during the year ended December 31, 2020	955,858	-	-
Disbursed during the year ended December 31, 2021	148,698	-	-
Disbursed during the year ended December 31, 2022	-	-	-
Disbursed during the year ended December 31, 2023	1,689,509	-	-
Disbursed during the year ended December 31, 2024	6,476,857	-	-
Disbursed during the period ended July 31, 2025	4,299,069	6,939,931	-
Disbursed during the grace period from August 1 to November 30, 2025	3,630,009	7,948,905	2,065,600
	-	2,309,747	-
Refund of saved funds	-	-	1,500,000
Undrawn amount of financing as at November 30, 2025	-	1,417	3,434,400

As part of the implementation of the Additional Financing for the "Digital CASA – Kyrgyz Republic" Project, Credit 7479-KG, the financing agreement for which was signed on 12 February 2024, as of the reporting date, preliminary savings of financial resources in the amount of 1,500 thousand US dollars were identified.

The Ministry of Digital Development and Innovative Technologies of the Kyrgyz Republic submitted a request to the World Bank Country Office in the Kyrgyz Republic regarding the redistribution of the saved financial resources. The World Bank provided its consent for the return of funds in the amount of 1,500 thousand US dollars and these funds were returned in accordance with the established procedure.

13. COMMITMENTS

In the normal course of activities, the Project concludes agreements with suppliers of goods and services in accordance with the established budget and procurement plan.

Commitments as at November 30, 2025 are presented as follows:

Counterparty	Contract No.	Cost per Contract (in CCY)	Contract CCY	Paid up to November 30, 2025 (in CCY)	Remaining amount to be paid (in CCY)
Baker Tilly Bishkek LLC	IDA/DCASA/2020/CS- LCS-4-1-1 Amendment #5 to the Contract No.	66,132	US dollar	57,782	8,350
Baker Tilly Bishkek LLC	IDA/DCASA/2020/CS- LCS-4-1-1	2,000	US dollar	-	2,000

As at November 30, 2025 the Project has commitments for audit services to Baker Tilly Bishkek LLC under Grant No. D279-KG and Loan No. 6200-KG. PIU opened an escrow account in Aiyl Bank OJSK (the "Bank") on September 8, 2025. In accordance with the Escrow agreement, PIU gives its consent to the Bank to direct acceptance-free debit of 8,350 US dollars from the escrow account to account of Baker Tilly Bishkek LLC as a payment for the audit services provided (Note 4). As at 30 November 2025, the Project has commitments for the payment of audit services in the amount of 2,000 US dollars under the additional financing for Loan No. 7479-KG.

14. LEGAL CASES

There were no any legal claims related to the Project.

15. GOING CONCERN

The implementation period of the Project financed under Grant Agreement No. D279-KG and Credit Agreement No. 6200-KG ended on July 31, 2025, and for the grace period ended on November 30, 2025. In accordance with the addendum to Credit Agreement No. 7479-KG, the Project implementation period has been extended until December 31, 2025, with the grace period set until April 30, 2026.

16. EVENTS AFTER THE REPORTING DATE

During 2025 until the date of issue of these project financial statements, the IDA provided financing to the Project as follows:

Sources of financing	Appli cation	Date	Initial deposit	Replenishment of designated account	Direct payment	Total
IDA Credit No.7479-KG						
48		August 20,2025	-	-	1,397,995	1,397,995
49		August 20,2025	-	100,000	-	100,000
51		September 10, 2025	-	-	282,025	282,025
53		December 9, 2025	-	-	1,166,049	1,166,049
			-	100,000	2,846,069	2,946,069

As at the date of issue of the project financial statement no other significant events or transactions occurred which should be disclosed in the project financial statements, except for the events described above.