



PROPOSAL TO PROVIDE AUDIT SERVICES TO
JSC MFO GEORGIAN CREDIT
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2024

October 10, 2023



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Confidentiality and security

*Moore Abc has prepared this proposal for the sole use of **JSC MFO GEORGIAN CREDIT**. The contents are confidential and should not be communicated to any other party without the prior written approval of Moore Abc.*

PROPOSAL



Moore Abc LLC is an independent member of "Moore Global Network Limited"- worldwide accountancy and consulting network.

Today the network comprises 609 offices in 112 countries throughout the world, incorporating 34,000 people and with fees of more than US\$ 4.0 billion.

Moore Abc LLC is registered at the state register of auditors (SARAS-F-320544) and was qualified to conduct audit of financial statements of Public Interest Entities (PIE) by Service for Accounting, Reporting and Supervision.



To Mr. Giorgi Samadashvili,
Executive Director, JSC MFO GEORGIAN CREDIT

October 10, 2023

Dear Mr. Giorgi,

We are pleased to present our proposal regarding the financial statement audit of **JSC MFO GEORGIAN CREDIT** for the year ended **December 31, 2023 and 2024** in accordance with the International Financial Reporting Standards (IFRS).

Our service fee is established according to the time spent per each project and according to the qualification and responsibility of the consultant for each requested service and is for:

Audit of Financial Statements of JSC MFO GEORGIAN CREDIT prepared in accordance with the International Financial Reporting Standards (IFRS) For the year ended December 31, 2023 and 2024	Price In Gel (Excluding VAT)*
Audit of IFRS Financial Statements for the year 2023	GEL 33.500
Audit of IFRS Financial Statements for the year 2024	GEL 33.500

Please contact us immediately should you have any questions with regard to this proposal.

We look forward to having a fruitful cooperation with your Organization.

Kind regards,

Mikheil Abaiadze-Certified Auditor, Partner, Moore Abc LLC, Member of Moore

Partner

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HELPING YOU THRIVE
IN A CHANGING WORLD

AUDIT STANDARDS



RISK-BASED APPROACH

A key element of our approach is to agree your expectations at an early stage. This will ensure the key risks are identified and dealt with from the start.

Standards

The audit will be conducted in accordance with International Standards on Auditing (ISA), which require that we plan and perform the audit so as to obtain reasonable assurance whether the financial statements to be audited are free from material misstatement.

Methodology

Our audit methodology is based on international auditing standards, which include a risk-based audit approach. Risk-based approach include the analysis of various aspects of operations implemented by audited entity, the internal control system analysis and control environment analysis to identify potential risk areas to properly plan the audit and concentrate on increased risks to save time.

Procedures

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We, as auditors, for the effective planning of audit, at some level rely on the company's internal controls and accounting systems. To decide to what extent, we can rely on the company's accounting and internal control systems, in the planning stage our work involves the study of these systems, and a description of the financial statements in order to avoid substantial errors in the assessment of their effectiveness. Then we rely on these systems as much as reliable we consider them, but this does not mean that we only rely on systems and do not carry out any other tests - in case we believe the systems work efficiently, we reduce other audit ("substantia") tests volume, that makes the audit more effective. However, any accounting and internal control system has inherent limitations, which are derived from a variety of causes.

AUDIT PROCESS



TAILORED APPROACH

We believe that the key to a valuable compliance service is the strength of the relationship between you and our service team.

This enables our work to be thoroughly and accurately planned and tailored to your specific needs.

Audit Planning

- Understanding your business
- Perform analytical review
- Determine the information required for the audit
- Establish timelines
- Assess industry knowledge & staffing requirements

Business & Risk Assessment

- Identify, assess & document business risks-external & internal
- Document audit & accounting risks
- Determine audit implications
- Systems documentation & controls testing
- Draw conclusions and report any findings to Management

Develop Audit Plan

- Identify audit procedures to be performed
- Applying our risk model to determine extent of testing required
- Allocate resources
- Confirm scope of audit with Management
- Report to the Audit Committee

Perform Testing

- Address risk areas identified throughout the planning process and control testing phase
- Verify transactions & balances
- Draw conclusions

Reporting

- Audit report on financial statements & remuneration report
- Report findings to Management & the Audit Committee
- Provide Management letter

TERMS



VALUE FOR MONEY

We recognise that value for money is a pre-requisite for all business expenditure – and professional fees are no exception.

We propose following timetable for the assignment:

#	Phase	Dates
1	Planning	5 working day
2	Fieldwork	15-20 working day
3	Presentation of draft report	5 working day
4	Presentation of final report	5 working day

The proposed timetable will be agreed with the management of **JSC MFO GEORGIAN CREDIT** for commencement of the audit.

We are ready to commence audit upon signing the agreement and receiving information requested in Info Package.
We are ready to finalize audit at the date agreed between parties.

The price of our services is determined according to the time spent on each project and therefore represents the required services based on the qualification and responsibility of the consultant:

Audit Team	2023 Audit in accordance with IFRS				USD Hourly Rate	Total (USD) *
	Planning	Execution	Completion	Total		
Partner	8	4	8	20	100	2,000
Manager	8	20	8	36	80	2,880
Senior Auditor	12	55	12	79	60	4,740
Assistant	16	85	18	119	20	2,380
Intern	-	120	-	120	5	600
Total	44	284	46	374		12,600
Price of audit of 2023 Financial Statements (Excluding VAT) GEL						33,510

ABOUT MOORE



TOP 10 AUDIT COMPANY IN GEORGIA

Established in 2008, Moore ABC is now one of the internationally recognised auditing firms in Georgia with an audit team possessing the required knowledge, methodology and experience to provide the highest level of assurance services to our clients.

Moore ABC is a member of Moore Global, one of the world's foremost accounting and consulting networks with roots in London going back over 100 years. Moore global is made up of over 30,000 people across more than 100 countries who connect and collaborate to take care of your needs – local, national and international.

Moore ABC is one of the leading companies in the country, which since 2008 has been providing services in the field of accounting and tax accounting, property appraisal, auditing and related professional services throughout Georgia.

The main goal of **Moore ABC** is to provide high quality services by offering relevant business decisions to leading Georgian and foreign businesses operating in Georgia.

The company's team consists of highly motivated employees, which provides the following high service offerings to client organizations, including:

- **Audit and Assurance**
- **Evaluation services**
- **Tax and legal services**
- **Accounting services**
- **Salary administration**

Moore ABC services are implemented using the methodology and approaches introduced in international practice.



>110



>260



>600



>34,000

EXPERIENCE



RIGHT EXPERTISE AND EXPERIENCE

Moore has the expertise and experience to meet the needs of the Company.

You'll have greater access to senior expertise than with many firms with over 34,000 people in 609 offices across 112 countries.

Our engagement partner and team members have conducted audits of numerous similar organizations or projects, an incomplete list of which is provided below:

- **JSC MFO Intel Express** - Audit of financial statements of 2022, 2021, 2020, 2019, 2018 and 2017
- **JSC MFO Leader Credit** - Audit of Consolidated financial statements of 2021, 2020, 2019, 2018, 2017 and 2016
- Audit of Financial Statements of various other Georgian **Microfinance Organizations: Alpha Express, Fin Credit, Cross Credit, MJC** etc
- **JSC Georgian Real Estate** - Audit of financial statements of 2020 and 2019
- **Deposit Insurance Agency, LEPL** – 2022, 2021, 2020, 2019 and 2018 financial statement audit
- **Tibiselebi, N(N)LE** - Audit of Special purpose financial statements of 2022, 2020 and 2019
- **TBC Fund, N(N)LE** - Audit of Special purpose financial statements of 2021, 2020 and 2019
- **Georgia Property Management Group LLC** - Audit of financial statements of 2019
- **Ziraat Bank - Tbilisi branch** - Annual audit of 2008, 2006, 2005 and 2004
- **TBC Bank** - Due diligence of loan portfolio and credit systems as at June 30, 2003 (By EBRD request) - October/2003;
- Assistance to **TBC Bank and Bank of Georgia** for implementing the loan portfolio provisioning and IAS reporting systems (2000 - 2001, duration 18 months)
- **Bank Republic** - Audit of Financial Statements as of December 31, 2001, 2002, 2003, 2004
- **Bank of Georgia** - Audit of Financial Statements as of December 31, 2002, 2003
- **Basis Bank** - Audit of Financial Statements as of December 31, 2001, 2002, 2003, 2004
- Audit of Financial Statements of other banks such as: **United Georgian Bank, EA Bank, Agro Business Bank of Georgia** and etc
- Audit of Financial Statements of various insurance companies such as: **JSC "Insurance Company GPI Holding", JSC "Insurance Company Irao", JSC "Alfa Insurance Company", JSC "Insurance Company Aldagi" JSC "Insurance Company Vesti", JSC "Insurance Company IC Group", JSC "Insurance Company Parner"** .

SECTORS



CENTURY OF HISTORY

Moore's century of history has witnessed the firm evolve from a small niche player through to our current status as a significant global presence.

At Moore, our purpose is to help people thrive – our clients, our people, and the communities they live and work in.

When you work with Moore firms, you'll work with people who care deeply about your success and who have the drive and dedication to deliver results for you and your business.

Agriculture	Entertainment & Media	Energy & Mining
Food industry	Financial Services	Healthcare
Hospitality & Tourism	Insurance	Manufacturing
Public Sector	Construction	Logistics

TEAM



THE RIGHT PEOPLE

We recognise the importance to our clients of easy access to high quality professionals.

Access to directors and principals

As such, our directors, principals and managers lead the audits they work on and ensure their quality and efficiency. But, we understand you may also want to talk to us.

We will ensure you have access to senior members of the team that will be serving you and you can also count on every member of the assurance and audit team to make themselves available to ensure you receive the best possible service.



PARTNER
MIKHEIL ABAIADZE
misha.abaiadze@moore.ge

EXPERIENCE:

- 10 years - Moore Abc LLC, Partner
- 8 years – International Audit Company, Executive Director and Partner
- 5 years - International Audit Company, Senior Auditor
- 5 years – Tbilisi State University, Professor's Assistant in auditing and accounting
- 7 years - Member of GFPAA, Board Member

COMPETENCE:

- Assurance
- Valuations
- Tax and Legal

PROJECT AUDIT SPECIFIC EXPERIENCE:

- More than 20 years of professional experience
- Board Member of Georgian Federation of Professional Accountants (GFPAA)
- **Certified Auditor (SARAS-A-865011)**



SENIOR AUDIT MANAGER
SOPHO ABAIADZE
sopho.abaiadze@moore.ge

EXPERIENCE:

- 10 years - Moore Abc LLC, Senior Audit Manager
- 1 year- International Audit Company, Audit Manager
- 2 years - International Audit Company, Senior Auditor
- 2 year – International Audit Company, Auditor

COMPETENCE:

- Assurance

PROJECT AUDIT SPECIFIC EXPERIENCE:

- More than 13 years of professional experience
- PS Auditor (Certificate #414)
- Ethics and Disciplinary Committee Member – GFPAA
- **ACCA Member (ACCA Global)**
- **Certified Auditor (SARAS-A-417263)**



QUALITY MANAGER
DAVIT KURTSIKIDZE
davit.kurtsikidze@moore.ge

EXPERIENCE:

- 1 years - Moore Abc LLC, Audit Quality Manager
- 1 year- International Audit Company, Head of Risk Management Department
- 4 years – Accounting, Reporting and Audit Supervision Service (SARAS)
- 2 year – State Audit Service, Auditor

COMPETENCE:

- Assurance

PROJECT AUDIT SPECIFIC EXPERIENCE:

- More than 10 years of professional experience
- Member of Georgian Federation of Professional Accountants



SENIOR AUDITOR
SOPHO JIBGHASHVILI
sopho.jibghashvili@moore.ge

EXPERIENCE:

- 5 years – Moore Abc LLC, Senior Auditor

COMPETENCE:

- Assurance

PROJECT AUDIT SPECIFIC EXPERIENCE:

- More than 5 years of professional experience
- Member of Georgian Federation of Professional Accountants

CONTACT US

For more information, please
contact us via email
info@moore.ge



www.moore-global.com

Moore Abc is a limited liability company registered in Georgia with identification number 206331691. Registered in the State Registry of Audit Firms with the registration number: SARAS-F-320544. An independent member firm of Moore Global Network Limited"- a global network of independent audit and consulting firms. Moore Limited and its member firms are legally distinct and separate entities. They are not and nothing shall be construed to place these entities in the relationship of parents, subsidiaries, partners, joint ventures or agents. No member firm of Moore Limited has any authority (actual, apparent, implied or otherwise) to obligate or bind Moore Global Network Limited or any other Moore Global Network Limited member or correspondent firm in any manner whatsoever.