



RG BRANDS JSC & SUBSIDIARIES

NOTES

to the Interim Consolidated Financial Statements
as at 30 June 2013
(in KZT thousands unless stated otherwise)

1. General Information

The core business of RG Brands JSC and its subsidiaries (jointly referred to as “the Group”) is production, sale and distribution of juices, carbonated beverages, milk, chips, packing, sale and distribution of tea and other commercial products. The Group mainly operates in the Republic of Kazakhstan (hereinafter “Kazakhstan”).

Ownership structure of the Company – RG Brands JSC was initially registered on 22 June 1998 as a limited liability partnership and transformed into an open joint stock company on 27 March 2001. The Company was re-registered as a joint stock company on 17 February 2004.

As at 30 June 2013 and 31 December 2012 the registered share capital of RG Brands JSC was KZT 1,840,296. As at 30 June 2013 and 31 December 2012 the registered share capital was paid in full.

So as at 30 June 2013 and 31 December 2012 the Company shareholders were as follows

Shareholder	Holding		Quantity of shares		Amount	
	30.06.2013	31.12.2012	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Mr. T.S.Kaltayev	1,30%	1,30%	45 024	45 024	34 384	34 384
Mr. K.K.Mazhibayev	51,93%	51,18%	1 793 103	1 767 044	944 574	917 313
Mr. A.Y.Agibayev	0,66%	0,66%	22 655	22 655	24 780	24 780
Mr. R.D.Bayazerov	0,71%	0,71%	24 653	24 653	26 778	26 778
Mr. A.A.Kanafin	-	0,70%	-	24 046	-	26 119
SMART WAY LTD	-	0,60%	-	20 882	-	20 882
Mr. A.V.Khalyapin	0,01%	0,01%	138	138	501	501
SUCCESSFUL INVESTMENT TRUST LLP	8,11%	7,85%	279 968	271 198	258 948	250 178
Mr. E.Z.Kozhkinbayev	28,79%	28,50%	994 052	983 953	397 903	386 933
Withdrawn capital	8,49%	8,49%	293 137	293 137	152 428	152 428
Total	100,0%	100,0%	3 452 730	3 452 730	1 840 296	1 840 296

Group structure and transactions – The Group consists of RG Brands JSC and its subsidiaries as follows:

	Долевое участие		Право голоса	
	2013 г.	2012 г.	2013 г.	2012 г.
RG Brands Kazakhstan LLP	100%	100%	100%	100%
Uni Commerce Ltd.	100%	100%	100%	100%
RG Brands Kyrgyzstan LLC	100%	100%	100%	100%
RG Brands Tashkent LLC	100%	100%	100%	100%

RG Brands began production and filling of juice and juice-containing drinks in November 1999. Today the Group has the following trade marks in its portfolio: Gracio, Da-Da and Nectar Solnechnyi, Da-Da Day, Aport, and ASU

The Group started up the first line for production of carbonated beverages under the trade marks of Pepsi, Seven Up, Mirinda and Aquafina in November 1999.

On 27 January 2004 RG Brands JSC acquired 99.9933% interest in the charter capital of Uni Commerce. Uni Commerce LLP was registered in 2003 to transfer the sale and distribution business of actual shareholders to the Group. On 28 November 2005 and 17 June 2008 RG Brands acquired additional 0.0022% and 0.0045% interests in the charter capital of Uni Commerce from

the minority shareholder. Accordingly, as at 31 December 2009 RG Brands held 100% interest in the charter capital of Uni Commerce Ltd

As at 30 June 2013 RG Brands JSC owned 100% authorised capital of RG Brands Kyrgyzstan LLC registered on 11 March 2004. The interest of the minority shareholder was purchased on 7 October 2008.

RG Brands Kazakhstan LLP (hereinafter “RG Brands Kazakhstan”) was established on 4 April 2006 and comprised production facilities engaged in manufacture of juice, beverages, packaged milk under Moye trade mark, tea under Piala trade mark, bottled water under Asu trade mark, and Grizzly chips. This Company is also engaged in distribution of the Group products in the Republic of Kazakhstan.

In accordance with the decision of RG Brands JSC, a 100% subsidiary – RG Brands Tashkent LLC – was registered on 29 August 2009 in the Republic of Uzbekistan.

RG Brands Tashkent and RG Brands Kyrgyzstan are engaged in sale and distribution of the Group products in the Republic of Uzbekistan and Kyrgyz Republic accordingly.

The Head Office of the Company is located in Almaty. Production capacities are located in Almaty, Almaty Oblast, and Kostanai, Republic of Kazakhstan. As specified above, the Company is also present in the Kyrgyz Republic and Republic of Uzbekistan to implement sale and distribution strategies.

Legal address: 212b, Raimbek ave., Almaty, Republic of Kazakhstan

Form of ownership: Private

Bottling Agreements with PepsiCo and Seven-Up International – the Group produced and distributed carbonated alcohol-free beverages in accordance with the exclusive bottling agreements entered into and between PRG Bottlers and PepsiCo Inc. and PRG Bottlers and Seven-Up International on 22 July 2000. On 1 April 2008 the Group signed the new exclusive bottling agreements under which the rights to bottle, sell and distribute PepsiCo and Seven-Up products in Kazakhstan passed to RG Brands Kazakhstan till 21 July 2010 with automatic prolongation for 5 years and subsequently for another 5-year period upon the end of each 5-year period.

On 12 January 2009 PepsiCo Inc., Seven-Up and the Group entered into the agreement providing the right to export PepsiCo Inc. products to Kyrgyzstan, which was extended to 31 December 2012 included through signing of the additional agreement on 01 February 2012.

2. BASIS OF PREPARATION

These consolidated interim financial statements of RG Brands JSC and its subsidiaries (hereinafter “the Group”) have been prepared in accordance with International Accounting Standard (hereinafter “IAS”) 34 *Interim Financial Statements*.

The reporting period is from 01 January through to 30 June 2013

Persons in charge for the preparation of the consolidated financial statements are as follows:

The Group keeps accounts in Kazakhstan monetary units (KZT) in accordance with the effective laws of the Republic of Kazakhstan. These consolidated interim financial statements are presented in KZT thousands.

These consolidated interim financial statements have been prepared on the historical cost basis except for certain assets and liabilities measured at fair value.

These consolidated interim financial statements have been prepared based on two fundamental assumptions – accrual basis of accounting and going concern.

To calculate the carrying amount of shares, the Group uses the following method: the carrying amount per common share equals the difference between the Company equity and the value of preferred shares divided by the number of common shares placed.

The carrying amount per preferred share equals the value of preferred shares placed divided by the number thereof.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Since 1 January 2010 the Group has made changes to the accounting policies for depreciation of production-related property, plant and equipment. Such equipment is depreciated using the units of production method instead of the straight-line method. As for the other recognition and measurement policies, when preparing these interim financial statements the Group used the accounting policies applied in the latest annual financial statements.

4. REVENUE

Revenue was as follows:

	(KZT'000)	
	6 months of 2013	6 months of 2012
Proceeds from sale of juices, juice-containing drinks	4 247 763	4 376 351
Proceeds from sale of packaged tea	4 200 655	4 327 819
Proceeds from sale of alcohol-free beverages	5 892 109	4 963 379
Proceeds from sale of packaged milk	2 218 045	2 042 338
Proceeds from sale of chips	234 831	197 479
	<u>16 793 403</u>	<u>15 907 366</u>

5. COST OF SALES

Cost of sales was as follows:

	(KZT'000)	
	6 months of 2013	6 months of 2012
Materials	9 355 558	8 525 572
Depreciation and amortisation	376 170	326 666
Salaries and related taxes	393 011	336 972
Utilities	174 392	136 815
Repair	162 045	146 694
Other costs	17 611	6 001
	<u>10 478 787</u>	<u>9 478 720</u>

6. SELLING COSTS

Selling costs were as follows:

	(KZT'000)	
	6 months of 2013	6 months of 2012
Transportation charges	1 179 624	900 289
Salaries and related payments	349 279	268 058
Advertising campaigns and marketing research	874 127	880 951
Expenses for sales reps	302 650	360 046
Other selling costs	218 546	306 790
Amortisation	229 465	230 720
Lease of vehicles, warehouses and office premises	123 023	116 848
Travel expenses	9 034	6 180
	<hr/>	<hr/>
	3 285 748	3 069 881
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7. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses were as follows:

	(KZT'000)	
	6 months of 2013	6 months of 2012
Salaries and related payments	663 412	649 266
Write-off of defected goods, losses of raw materials and supplies	90 364	54 979
Consulting services	268 553	165 221
Penalties and fines	21 428	88 666
Depreciation and amortisation	34 225	24 498
Taxes other than income tax	163 850	121 460
Bank services	124 377	121 394
Transportation charges	60 227	45 381
Utilities	28 913	25 324
Travel expenses	24 686	32 925
Communication services	16 201	15 703
Insurance	6 695	10 878
Provision for unused employee leaves	14 114	25 147
(Reversal of)/provision for hard-to-sell and obsolete inventory	(252)	1 475
Accrual/(reversal) of provision for doubtful debts	(12 483)	6 685
Other costs	190 069	215 173
	<hr/>	<hr/>
	1 694 379	1 604 175
	<hr/> <hr/>	<hr/> <hr/>

8. FINANCE COSTS

Finance costs were as follows:

	(KZT'000)	
	6 months of 2013	6 months of 2012
Interest on bank and other loans	307 640	380 476
Interest accrued on bonds	84 707	183 214
Interest accrued on finance lease payable	37 346	17 112
Dividends on preferred shares	90 000	90 000
Parent company loan discount amortisation	<hr/>	<hr/>
	519 693	670 802
	<hr/> <hr/>	<hr/> <hr/>

9. OTHER COSTS

(KZT'000)

Other costs were as follows:

	6 months of 2013	6 months of 2012
(Loss)/income from disposal of property, plant and equipment	(25 406)	16 146
Other selling costs, net	65 833	47 810
Other	(32 119)	14 283
	<u>8 308</u>	<u>78 239</u>

10. EARNINGS PER SHARE

Earnings/(loss) per share is calculated by dividing net profit/(loss) for the year attributable to equity holders by the weighted average number of common shares outstanding during the year determined as follows:

	(KZT'000)	
	6 months of 2013	6 months of 2012
Net profit (loss) for the year attributable to equity holders	1 059 718	1 239 805
Weighted average number of common shares	<u>3 159 593</u>	<u>3 286 003</u>
Basic earnings per share, KZT	<u>335</u>	<u>377</u>

The Company uses the following calculation method to determine the carrying amount of shares:

Carrying amount per common share is a quotient of the net assets for common shares by the number of common shares.

$$3\ 141 = 10\ 844\ 461 / 3\ 452,73$$

Net assets for common shares are calculated using the following formula:

$$NAV = (TA - IA) - TL - PS, \text{ where}$$

- TA – issuer's assets recognised in the issuer's statement of financial position as at the calculation date;
- IA – intangible assets in the issuer's statement of financial position as at the calculation date;
- TL – liabilities in the issuer's statement of financial position as at the calculation date;
- PS – balance of Authorised Capital, Preferred Shares item in the issuer's statement of financial position as at the calculation date.

$$10\ 844\ 461 = (32\ 372\ 134 - 25\ 008) - 21\ 502\ 665$$

Carrying amount per preferred share is calculated using the following formula:

$$BVPS2 = LPS / NOPS2, \text{ where}$$

- BVPS2 – book value per preferred share of the second group as at the calculation date;
- NOPS2 – number of outstanding preferred shares of the second group as at the calculation date;
- LPS – balance of preferred shares recorded as liabilities in the issuer's statement of financial position as at the calculation date.

$$1200 = 900\ 000 / 750$$

11. PROPERTY, PLANT AND EQUIPMENT

As at 30 June 2013 property, plant and equipment less accumulated depreciation were as follows:

(KZT'000)

	Land	Buildings and construction s	Machinery and equipment	Vehicles	Other	Construct ion in progress	Total
Historical cost							
At 1 January 2013	1 122 088	5 320 877	16 841 926	267 693	654 188	649 162	24 855 934
Additions		5 706	871 531	24 514	127 196	15 832	1 044 779
Other reclassification							-
Internal displacement			1 463			(1 463)	-
Disposal			(94 572)	(12 315)	(16 759)	(101)	(123 747)
At 30 June 2013	1 122 088	5 326 583	17 620 348	279 892	764 625	663 430	25 776 966
Accumulated depreciation							
At 1 January 2013	-	(271 896)	(6 960 987)	(129 805)	(484 707)	-	(7 847 395)
Accrued for the period		(268 606)	(358 562)	(21 773)	(44 324)		(693 265)
Reclassifications							-
Disposal			76 047	10 198	6 212		92 457
At 30 June 2013	-	(540 502)	(7 243 502)	(141 380)	(522 819)	-	(8 448 203)
Carrying amount at 30 June 2013	1 122 088	4 786 081	10 376 846	138 512	241 806	663 430	17 328 763

12. RECEIVABLES

As at 30 June 2013 receivables were as follows:

(KZT'000)

Counterparty	Opening balance	Total debits	Total credits	Closing balance
Long-term receivables	79 478	-	-	79 478
INNOVA INVESTMENT TOO	76 000			76 000
Alim Service LLP	2 710			2 710
Ms. Svetlana Valeriyevna Rusyayeva	768			768
Short-term receivables	3 533 327	470 788	351 029	3 653 086
CARAT TOO	11 887		1 740	10 147
Cinema Property Management, TOO	3 368		535	2 833
INTERFOOD(Интерфуд) СКП, TOO	993		571	422
Magnum Cash&Carry TOO	55 391		19 082	36 309
Parade retail TOO	521	912		1 433
Silk Way City TOO	2 415		956	1 459
TANDEM EXCLUSIVE TOO	23 513	44 126		67 639

The Caspian International Restaurants Company TOO	19 007		479	18 528
Alma Retail Systems LLP	1 246		22	1 224
Alma Store LLP (ADK Shopping Mall)	6 394	10		6 404
Alyp-2008 LLP	3 271		1 324	1 947
ALIKA LLC	6 616		215	6 401
Anuar Consumers LLP, Atyrau	168 683		7 869	160 814
Arzan-Sauda LLP	5 349			5 349
B.A.Atayev, Private Entrepreneur	6 569	3 147		9 716
S.U. Asatov, Private Entrepreneur	1 087	137		1 224
G.K. Akhmetbekov, Private Entrepreneur	26 662		22 352	4 310
Basis-Terra LLP, Aktobe	51 588		1 251	50 337
Bacchus-Center LLP	3 953		1 422	2 531
A.V. Bolotin, Sole Proprietor	1 001		1 001	0
Hermes-Trade LLP	2 208	27		2 235
Firkan City Hypermarket	1 510		61	1 449
Dastarkhan – TRADE LLP	2 068	507		2 575
Dastarkhan* TOO	2 127		527	1 600
Gubanum Khamitovna Dulyatova, Sole Proprietor	5 193		390	4 803
ZHETI ASPAN LLP	2 904		1 008	1 896
Balsheker Zhunusova, Private Entrepreneur (distributor)	1 815	3 775		5 590
Ideal-2008 LLP	1 570	207		1 777
Interfood SKGP LLP	2 956		503	2 453
Mr. Y.M.Kerimbekov	2 735	49		2 784
Kim, “Vegas Gas Station”	44 852		44 852	0
L.V. Kichshuk	1 100	100		1 200
Taimas LTD, LLP	579	6		585
SOBLTD LLP	122 307	23 458		145 765
Leko LLP	1 815	198		2 013
Magnolia LLP, Taraz	67 158		10 557	56 601
Lider LLC	4 840		4 840	0
O.Litvinova, Sole Proprietor	1 219	331		1 550
Lotos-Kokshe LLP, Kokshetau	21 169	2 174		23 343
A.K.Mazur Sole Proprietor	8 454	2 079		10 533
Ms. Gulzhakhan Konysbekovna Meirmankulova	1 178	22		1 200
METRO Cash & Carry LLP	26 149	25 368		51 517
G.M. Nurkasymov, Sole Proprietor	994		994	0
Nesipkul Omirzakhova, Private Entrepreneur	8 613	14		8 627
Wholesale Club LLP	2 291	9 618		11 909
Wholesale centre “Palleta” LLP	3 030		3 030	0
O.N. Petukhova Sole Proprietor	1 336	408		1 744
Pichshetorg LLP	18 297		2 668	15 629
Ya.T.Raziyev Sole Proprietor	9 634		200	9 434
Ramstore Kazakhstan LLP, Astana Branch	3 179	5 842		9 021
Ramstore Kazakhstan LLP	24 680		3 445	21 235
Ye. Rakhimzhanov, Semei (FS)	63 903		21 727	42 176
SABYRZHAN COMPANY LLP	17 051	6 851		23 902
Rakhmet LLP, Supermarket Chain	1 866		1 866	0
Skif Sauda LLP	4 694	1 798		6 492
Skif Trade LLP	3 751	4 301		8 052
Skif Trade LLP, Almaty Branch	4 072	3 213		7 285

Skif Trade LLP, Branch	2 765	26		2 791
Skif Trade LLP K. Branch	8 026	264		8 290
K.B.Stanbekov, Sole Proprietor	499	131		630
Sultan Torg LLP	9 535		1 367	8 168
Keremet LLP	638	5		643
GREEN MART Retail Chain	12 008	10 852		22 860
Terem TC LLC	1 492	4 629		6 121
Yuzhnyi Trade House	8 456		8 456	0
A.A. Trishnevskiy, Sole Proprietor	759	1 054		1 813
Ms. Tatiana Petrovna Troshina	456		456	0
Shymkent Branch of Ramstore Kazakhstan LLP	935	317		1 252
Magnum Cash&Carry LLP branch №5	2 849	383		3 232
Ms. G.S.Khozhaniazova	1 100	800		1 900
Astykhhan LLP Trade Center	2 509	1 558		4 067
Shyn LLP	9 322			9 322
Yuma West LLP	549		549	0
Yuma Firm LLP	427	205		632
Yuma South LLP	468	8		476
Others	102 404	73 772		176 176
Trade Receivables	1 058 008	232 682	166 315	1 124 375
A.S.K. Technik TOO	5 000		5 000	0
ADVANCED TECNOLOGIES KAZAKHSTAN TOO	361		171	190
Agro Pak b.v.	4 995		4 995	0
APPLIED MEMBRANES INC	651		163	488
AquaSpoil MMM TOO	316		136	180
Ark Stone Group TOO	1 064		495	569
Asian Development Bank Administrative Expense Acco	3 019			3 019
BC Industry TOO	269		269	0
BM POWER TOO	250		250	0
Challenger Consulting Pty LTD	8 063		8 063	0
DG CONSULTING LTD	2 270			2 270
Ekber dis ticaret pazarlama LTD.STI.	393			393
Elspec Engineering LTD	11 897	18 154		30 051
ExSolCom TOO	675		675	0
Festo Ges.M.B.H.	494		494	0
ForkLift Service ИП	971		376	595
G-FORCE TOO	6 812		6 812	0
HASSIA-REDATRON GMBH	870		870	0
HYUNDAI CORPORATION	1 207		1 207	0
InterTeach System Ltd TOO	989		989	0
KHS AG	824		824	0
MACHINERY SERVICE LTD TOO	308		308	0
MAS Agro (Ivanhoe Invest b.v.)	2 210			2 210
Miranti GmbH &Co.KG	958		958	0
SIDEL SpA	1 862		883	979
SINOOIL TOO ШФ	2 597		1 806	791
Sinooil Филиал TOO г. Астана	469		469	0
Star Games TOO	190		190	0
TERRIS CONSOLIDATED (СИИА)	690		690	0
Tianjin Kunyu International Co.,Ltd	2 524		2 524	0

TNO Triskelion B.V.	1 089		1 089	0
Topline TOO	501	747		1 248
Tuan Tuan (Туан Туан) TOO	640			640
UBC Cool Astana (ЮБС Кул Астана) TOO	1 045		1 045	
Agro Tom Plus LLP	20 332	64 486		84 818
Agroteploenergomontazh LLP	1 615			1 615
Asia International Company LLP	54 384		46 549	7 835
Aksenova N.R., Sole Proprietor	840		840	
Alash Broker LLP	1 000		1 000	
Almaty Refrigerator Company	2 331		2 331	
Almaty GasService Holding JSC	10 969	970		11 939
Almatyenergobyty	5 877		4 522	1 355
AlsuGrad LLP	558		558	
L.V. Amzoev, Sole Proprietor (Keruen Café)	500		500	
ASEM LLP	1 000			1 000
Astana Import Export LLP	991		991	
Helios LLP, Almaty Branch	7 411		2 102	5 309
Davletor, Sole Proprietor	3 221		2 786	435
Dastarkhan-Toy LLP		310		310
Deloitte LLP	15 518		15 518	0
IVK & Company LLP	338		338	0
Inter-Kholod LLP	2 051		2 051	0
K.M. Umbetova, Sole Proprietor	2 190		2 190	0
Kar-Tel LLP	826	414		1 240
Kazakhstan Temir Zholy NC, JSC	6 095		418	5 677
Kaz Munai Gas Onemdry, JSC	1 632		1 632	0
Kazspecmontazh Engineering LLP	3 615		3 615	0
KazTransServis BPH, southern branch	946	59		1 005
Kapchagay Porcelain LLP	4 400		4 400	0
Progress Company LTD	540		540	0
KRK Assorti LLP	250		250	0
Abdukadyr Kubenov, Sole Proprietor	329	171		500
K.H. Nikolay	1 935			1 935
London-Almaty Insurance Company JSC	1 179	131		1 310
Oil Insurance Company JSC	551		551	0
PEPgroup JSC	1 771			1 771
State Enterprise "National Institute of Intellectual Property" of the Committee for Intellectual Property	2 212		119	2 093
Rexam Beverage Can Dmitrov LLC	2 941		2 941	0
Remenergo LLP	3 515	2 981		6 496
Sydel Vostok LTD	9 510			9 510
Sport Estates Management LLP	238			238
EVRAZIYA Insurace Company	715		251	464
Tayinsha-Astyk LLP	1 875		1 875	0
Customs Post Temirzhol TEC Almaty	1 928			1 928
Kostanai Customs	3 386		3 386	0
Tan Technoservice LLP	7 239		7 239	0
Tau-Dastarkhan LLP	762			762
Nikolay Andreevich Ten	1 740			1 740
"New Wave.KZ" LLP	500			500
Khalyk-Life JSC	768	395		1 163

Others	79 325	12 449		91 774
Advances paid	338 322	101 267	151 244	288 345
Almaty Cotton Plant LLP	882			882
RESMI Direct Investment	1 562 000	803		1 562 803
Retail Management	223 619			223 619
Smart Way Ltd	24 170			24 170
Ms. Anar Alimovna Dzhamburshina	2 601		2 601	0
Resmi Finance & Investment House JSC	86 462	52 848		139 310
Kazneftekhim emitent	2 250			2 250
Kostanay city Tax Committee НК по г.Костанай	346		346	0
Almalay district Taxation Authority	14 672	5 035		19 707
Zhetisu district Taxation Authority	4 755			4 755
Karasay district Taxation Authority	133		133	0
Talgar district Taxation Authority	3 479			3 479
PEPgroup LLC	1 770			1 770
Customs Post Temirzhol TEC Almaty	1 928			1 928
Customs Post Temirzhol TEC Alatau (53706/54706/55402)	8 956		696	8 260
Customs, Karaganda city – 51804	805			805
Customs, Kostanay	19 281		15 577	3 704
Zhetisu Customs 50207/54701/55301 (airport)	12 166		11 190	976
Mr. Nikolai Andreyevich Ten	2 249		2 249	0
Abdukadyr Kubenov, Sole Proprietor	329		329	0
Technology Center for carriage document processing, Branch, KTZh NC CJSC	349		349	0
Tukym LLP	1 032			1 032
Fluger Plus LLP	6 838			6 838
Others	155 925		78 243	77 682
Other receivables	2 136 997	58 686	111 713	2 083 970
Total	3 612 805	392 635	429 272	3 576 168

13. INVENTORY

(KZT'000)

	на 30.06.2013	на 30.12.2012
Finished goods	3 168 326	1 740 683
Raw material	2 067 377	1 447 019
Packing material	944 840	997 354
Other	226 944	216 357
Spare parts	334 570	328 323
Less provision for surplus stock	(46 069)	(55 172)
	<u>6 695 988</u>	<u>4 674 564</u>

14. **OTHER FINANCIAL ASSETS**

(KZT'000)

	на 30.06.2013	на 31.12.2012
Loans at amortised cost	-	-
Investments available for sale	79 723	90 768
Investments held for trading	2 557 117	2 226 336
	<u>2 636 840</u>	<u>2 317 104</u>
Current portion	2 636 840	2 317 104
Non-current portion of related party receivables	-	-
	<u>2 636 840</u>	<u>2 317 104</u>

15. **OTHER CURRENT ASSETS**

(KZT'000)

	на 30.06.2013	на 31.12.2012
Other receivables	2 073 278	2 217 534
Employee debts	63 792	188 111
Other recoverable tax	56 458	43 649
Recoverable VAT	-	3
Prepaid expenses	192 243	38 581
Less provision for doubtful debts	36 146	58 303
Other receivables	(181 551)	(261 466)
	<u>2 240 366</u>	<u>2 284 715</u>

16. **CREDITS, BONDED LOANS AND FINANCE LEASE**

Below is the information of loans, finance lease and other financial liabilities as at 30 June 2013:

(KZT'000)

Creditor	Loan currency	Average rate, % per annum	Opening balance	Total		Closing balance	Maturity date
				Debit	Credit		
Bonds	KZT'000	8%	1 404 078		104 765	1 508 843	2014
Tetra Laval	EUR'000	7,25%	347	65		282	2014
	KZT'000		67 082	11 354		55 728	
Tetra Laval	EUR'000	6,40%	379	96		283	2013
	KZT'000		73 342	17 332		56 010	
Tetra Laval	EUR'000	6,40%	2 122	253		1 869	2014
	KZT'000		410 251	40 420		369 831	
Caterpillar Financial Service	EUR'000	8%	535	103		432	2014
	KZT'000		103 492	17 944		85 548	
Caterpillar Financial Service	EUR'000	8%	679	131		548	2014
	KZT'000		131 226	22 756		108 470	
Caterpillar Financial Service	EUR'000	8%	71	13		58	2014
	KZT'000		13 795	2 387		11 408	
Bank TuranAlem JSC	KZT'000	7%	1 204 185	1 204 185		-	-
Kazinvest Bank JSC	KZT'000	8,50%	710 400	58 600		651 800	2015
Development Bank of Kazakhstan	KZT'000	8%	656 474			656 474	2015
Europe Development Bank	USD'000	4,24%	22 727	4 545		18 182	2015
	KZT'000		3 428 182	670 909		2 757 273	
Al Hilal Bank JSC	KZT'000	7,50%	1 502 229	83 103		1 419 126	2017
Alpha Bank JSC	KZT'000	7,80%	300 000		550 000	850 000	2013
Alliance Bank. Kazakhstan	KZT'000	7,2%-10,7%	1 500 000	615 000		885 000	2013
Sberbank Russia	EUR'000	7,50%	222			222	2013
	KZT'000		42 861		1 013	43 874	
KAZAGROFINANCE JSC	KZT'000	9,00%	21 831	21 831		-	-

Creditor	Loan amount, total	Maturity date					
		2013	2014	2015	2016	2017	2018
Bonds	1 508 843		1 508 843				
Tetra Laval EUR'000	282	133	149				
Tetra Laval EUR'000	283	283					
Tetra Laval EUR'000	1 869	551	1 318				
Caterpillar Financial Service, EUR'000	432	211	221				
Caterpillar Financial Service, EUR'000	548	268	280				
Caterpillar Financial Service, EUR'000	58	29	29				
Kazinvest Bank JSC, KZT'000	651 800	207 800	355 200	88 800			
Development Bank of Kazakhstan, KZT'000	656 474	164 119	328 237	164 118			
Europe Development Bank, USD'000	18 182	4 546	9 091	4 545			
Al Hilal Bank JSC, KZT'000	1 419 126	196 662	373 019	373 019	373 019	103 407	
Alpha Bank JSC, KZT'000	850 000	850 000					
Alliance Bank Kazakhstan, KZT'000	885 000	885 000					
Sberbank Russia, EUR'000	222		222				

17. PAYABLES

As at 30 June 2013 payables were as follows:

(KZT'000)

Counterparty	Opening balance	Total debits	Total credits	Closing balance
Long-term payables for equipment	491 773	149 099	714 999	1 057 673
Sidel Conveying SAS	355 749	132 244		223 505
TETRA LAVAL CREDIT AB	136 024	16 855		119 169
Resmi Direct Investments			714 999	714 999
Short-term payables	5 637 610	606 789	3 374 899	8 405 720
ALBE LOGISTIC UND TRADE GMBH	1 310		350	1 660
AMRAZ LTD	23 932		60 850	84 782
ASIAN TEA AND EXPORTS LIMITED	723 738		173 600	897 338
Astana Capital Advisors	156 375			156 375
BIG IDEA GROUP LLP			8 391	8 391
COFCO Tunhe Co, Ltd	4 989		10 221	15 210
Crea LLP	3 089		47 747	50 836
Das Marketing.kz LLP	3 052		4 578	7 630
Dinter Polska Sp.zo.z	1 145		27	1 172
DOHLER HOLLAND	24 474		42 746	67 220
ED&F MAN SUGAR LTD	55 470		333 373	388 843
Elke Company LLP	25 537	15 172		10 365
ERP Systems Sole Proprietor (A.V. Goryunov)	490		372	862
Express Pro LLP	2 537	2 537		0
Favourite Media Group LLP	57 865	29 991		27 874
FIRMENICH SA	2 574	1 520		1 054
Flavourland LLP	5 285		3 684	8 969

Food Island LLP	6 100		4 851	10 951
G-FORCE LLP	0		7 432	7 432
Gan-Shmuel Foods LTD	19 895		27 486	47 381
Georgian Industrial Management Group JSC	5 892	186		5 706
Givat Haim Cooperative Society For P. of A.P LTD	144 638	3 571		141 067
Green Line Paper LLP	9 801	9 801		0
GTS International LLP	1 405	1 405		0
Gulser Computers LLP	314	25		289
Hastamat Verpackungstechnik GmbH	2 940		69	3 009
High Tech Logistic JV LLP (Karaganda)	5 569		2 251	7 820
High Tech Logistic LLP	24 906	10 698		14 208
HOTTLET Sugar Traiding division of raffinerie tirl	277 938	277 938		0
HRC LLP	5 287		7 591	12 878
HTL Kedenservis LLP	1 119	86		1 033
IFL LTD GRETTON HOUSE	24 852		9 257	34 109
INNOVA INVESTMENT	235 637		64 924	300 561
Intellpack Sole Proprietor	7 952		1 987	9 939
IZ-Plast LLP	446			446
Kagazy Recycling LLP	41 219		18 381	59 600
KASKAT SP . Z O.O.	156 891		29 787	186 678
KUIPERS Food Processing Machinery B.V.	3 979		910	4 889
LG International corp.	132 924		93 744	226 668
Lonran intl engineering and techology co ltd	66 048		19 721	85 769
MAGIC BOX	611		36 118	36 729
Magic System Market LLP	542	135		407
Morgan David Robin Idris	1 502			1 502
Mosaic Media LLP			136 136	136 136
Peak Akzhal LLP	1 785	337		1 448
PEAK Logistics LLP	9 355		3 073	12 428
PEPSI LIPTON INTERNATIONAL	218 830		110 306	329 136
PEPSI-COLA INTERNATIONAL CORK			133 370	133 370
Peter Binder GMBH	141 196	3 183		138 013
POWER SOLUTIONS N.V.	25 388	22 296		3 092
ROTOPACK LLP	2 473		16 286	18 759
Sanatel LLP	489		708	1 197
Santrade Company LLP	7 726	1 586		6 140
Sidel Conveying SAS (GEBO PACKAGING SOLUTIONS FRANCE SAS)	462 808		24 690	487 498
Sky Media LLP	4 876	4 876		0
TETRA PAK Export LTD	17 039		403	17 442
Tetra Pak Kazakhstan LTD	606 289		155 051	761 340
TETRA PAK SERVICE	334 680	67 070		267 610
Tetra Pak Service S.A.	2 241		3 757	5 998
TSPS company LLP	23 800			23 800
TURKUAZ HORECA LLP	6 749		2 041	8 790
UNIVERSAL LOGISTICS LLP	25 671	10 583		15 088
VAN REES B. V.	379 727		171 021	550 748
Veles Freya LLP	2 350		210	2 560
World Logistic Group LLP	815	400		415
Almaty Product LLP	1 035		935	1 970
Alaska-Poligraphoformleniye LLC	26 398		22 269	48 667
Arman-I Peasant Farm	726		1 028	1 754
Jingle ART Agency LLP	10 614	9 139		1 475
Astron LLP	563		2 225	2 788

Atasu Trans LLP	23 318	8 075		15 243
Basis-2010 LLP	2 246		1 873	4 119
Batalinskoye LLP	4 402		676	5 078
Branch of Belovezhskaya Yarmarka LLC	9 073		10 117	19 190
BERICAP KAZAKHSTAN LLP	94 863	43 377		51 486
Birlesu-SK LLP	4 958		1 257	6 215
VAIT CJSC	7 588		4 762	12 350
Viktorovskoye LLP	19 682	5 313		14 369
Karasai Su Kubyry State Budget-Supported Enterprise	3 288		2 970	6 258
Globus LLP	567			567
RESMI Company Group	122 195	23 881		98 314
Doehler Kazakhstan LLP	50 624		13 657	64 281
Kazakhstan Unified Trading System LLP	2 189	1 569		620
Zhibek Zholy LLP	1 840			1 840
Zholashar-ZhD Service LLP	2 029		1 789	3 818
Idzhym LLP	5 457	4 220		1 237
Intellservice LLP	35 248	17 936		17 312
Z.U. Dzhamalov Sole Proprietor	957	957		0
Issyk Fruit & Vegetable Processing Plant LLP	4 118	430		3 688
KazMunaiGaz Onimderi JSC	221		406	627
KazRefTransService	28 257		27 458	55 715
Raikhan Dzhiyentayevna Kasenova, Sole Proprietor	240	6		234
Kombi Trans BM LLP	7 896	4 633		3 263
NukerGarant Corporation LLP	800			800
KustanaiTransService LLP	1 260	260		1 000
MEGAPAK TD LLP	21 077		69 132	90 209
Megakhimproject LLP	185		290	475
MONTAZHLEGMASH LLP	530		3 075	3 605
A.S.Murzabayeva, Sole Proprietor	2 003		99	2 102
Nadezhdinka LLP	2 001		414	2 415
Otrar Travel LLP	1 080	1 080		0
PEPSICO Kork, Ireland CONCERN	228 442		180 987	409 429
Beer Company LLP	3 754	3 596		158
Blago Food Plant	4 644			4 644
O.G. Rajabi-Mugadam, Sole Proprietor	1 615		198	1 813
Almagul Kayirovna Rymbaeva, Sole Proprietor	17 335		18 597	35 932
Sarsenbekova, Private Entrepreneur	1 675		596	2 271
Saryagash LLP	1 238	1 238		0
Synthesis Firm LLP	2 268		2 268	4 536
Sorochinskoe – 2030 LLP	1 926	1 926		0
SoyuzOpTorg-Asia LLP	1 926	1 926		0
Steels Security LLP	3 171	523		2 648
Cleanness Technology LLP	1 184			1 184
TransMagistral, O.G. Minulin, Sole Proprietor	4 320	628		3 692
Turar LLP	17 812	2 516		15 296
Ulba Complex LLP Oskemen	4 725	2 852		1 873
UralKetring LLP	2 064		375	2 439
Ural-Bumaga LLC	6 632		934	7 566
Centre №1 LTD LLP	23 314	5 780		17 534
Admaker Marketing Group LLP	2 809		14 773	17 582
“UNIUS” Law Firm LLP	1 754	1 532		222
Others	260 918		1 090 886	1 351 804
Total	6 129 383	755 888	3 956 545	9 330 040

18. TAXES PAYABLE

(KZT'000)

	на 30.06.2013	на 31.12.2012
Value added tax	270 150	520 019
Personal income tax	27 127	29 067
Other taxes	8 930	2 216
Corporate income tax	(686)	-
Social tax	11 868	12 350
	<hr/>	<hr/>
	317 390	563 651
	<hr/> <hr/>	<hr/> <hr/>

19. OTHER PAYABLES AND LIABILITIES ACCRUED

(KZT'000)

	на 30.06.2013	на 31.12.2012
Employment expenses accrued	142 482	117 147
Employee leave allowances and bonuses accrued	209 604	191 491
Advances received	55 334	18 346
Other liabilities accrued	25 258	24 987
	<hr/>	<hr/>
	432 678	351 971
	<hr/> <hr/>	<hr/> <hr/>

20. BUSINESS AND GEOGRAPHIC SEGMENTS

In view of the management's assessment of the business on a sole geographic base, i.e. Kazakhstan where 93% (2008: 95%) of the business is done, the management determined that the Group segmentation base is best reflected by the following business lines:

- a) Production, distribution and sale of products including juices (Gracio, Da-Da, Nectar Solnechnyi), juice-containing drink (DaDa-Day), Aport, Asu bottled water;
- b) Production, distribution and sale of milk under the house brand of the Group (Moye);
- c) Production, distribution and sale of other products under the house brands of the Group including Piala Tea and Grizzly Chips;
- d) Production, distribution and sale of franchised products including carbonated alcohol-free beverages (Pepsi, Pepsi Light, Mirinda, Seven-Up, AquaFina);
- e) Trade transactions including sale and distribution of imported goods of other manufacturers.

(KZT'000)

	Production of juice and juice- containing beverages	Milk	Food stuff	Franchise	Trading	Consolidated
Period ended 30 June	2013					
Revenue	5 008 489	2 218 045	4 435 485	5 131 383	-	16 793 403
Operating profit (loss) before tax	95 375	74 180	551 053	339 110	-	1 059 718
Income tax expense	-	-	-	-	-	-
Net profit/(loss)	95 375	74 180	551 053	339 110	-	1 059 718
Depreciation and amortization	268 742	127 972	69 489	173 659	-	639 862
Acquisition of property, plant and equipment and intangible assets	164 618	41 048	59 703	93 009	542 450	900 828

	Production of juice and juice- containing beverages	Milk	Food stuff	Franchise	Trading	Consolidated
Period ended 30 June	2013					
Segment assets	15 538 624	2 266 049	3 237 213	11 330 247	-	32 372 134
Deferred income tax assets	-	-	-	-	-	-
Total assets	15 538 624	2 266 049	3 237 213	11 330 247	-	32 372 134
Segment liabilities	9 562 448	1 039 397	2 286 672	7 899 414	-	20 787 931
Deferred income tax liabilities	235 862	92 915	192 978	192 978	-	714 734
Total liabilities	9 798 311	1 132 312	2 479 651	8 092 392	-	21 502 666

The Group's external sales revenue sorted by country was as follows:

(KZT'000)

	6 месяцев 2013	6 месяцев 2012
Kazakhstan	14 880 928	14 253 396
Kyrgyzstan	1 214 768	1 171 318
Russia	339 603	199 520
Turkmenistan	280 126	209 479
Tajikistan	64 928	63 223
Mongolia	10 728	10 430
France	2 321	-
	16 793 403	15 907 366

21. RETIREMENT BENEFITS

In accordance with the requirements of the Republic of Kazakhstan laws, the Group makes 10% pension contributions from the employee salaries. However, subject to the Republic of Kazakhstan laws, this amount per employee shall not exceed KZT 139,950 a month since 1 January 2012; previously monthly contributions per employee amounted to KZT 130,792. These amounts are expensed as incurred. Contributions to the pension funds are deducted from the employee salary and recognised in the total salaries paid in the consolidated statement of comprehensive income.

As of 30 June 2013 the Group had no liabilities to its current or former employees on additional pension contributions, postretirement medical benefits, insurance payments or other retirement benefits.

22. RELATED PARTIES

Related parties of the Group are entities controlled by or related to K.K. Mazhibayev and E.Z.Koshkinbayev, shareholders of the company (See Addendum 1)

Transactions between the Company and its subsidiaries are eliminated at consolidation and not disclosed in this note. Transactions between the Group and its related parties are disclosed below.

Trading transactions – As of 30 June 2013 and 31 December 2012, the Group entered into trading transactions with the following related parties: Resmi Group JSC, Innova LLP, Resmi Finance & Investment House JSC, Telman Offset and Print LLP, Resmi Direct Investments LLP and others.

Related party transactions include sale of carbonated alcohol-free beverages, natural juice, tea, sale/purchase of other materials, property, plant and equipment, securities and rendering of various services.

(KZT'000)

	Sale		Acquisition	
	Year ended 30 June 2013	Year ended 31 December 2012	Year ended 30 June 2013	Year ended 31 December 2012
Parent company	708	3 923	162 341	236 755
Jointly controlled companies	18 964	143 189	31 955	36 172

	Receivables		Payables	
	Year ended 30 June 2013	Year ended 31 December 2012	Year ended 30 June 2013	Year ended 31 December 2012
Parent company				
Trading transactions	-	-	98 314	118 980
Loans by parent	-	-	-	-
Transactions in securities	-	-	-	-
Jointly controlled companies				
Trading transactions	371 969	348 879	457 821	-
Transactions in securities	-	-	-	-
Broker debt	139 310	28 960	-	-
Temporary financial aid	1 562 000	1 839 695	715 000	-

Key management benefits – Key management benefits are determined by the shareholders’ meeting and senior management of the companies in accordance with the staff policy, staff list, personal employment contracts, decisions of the shareholders, orders on accrual of bonuses, etc.


23. EVENTS AFTER THE REPORTING DATE

There were no material events that occurred between the reporting date and the date of the financial statements that would require correction or additional elaboration in the notes to the Interim Financial Statements related to the Group.

Chairman of the Management Board

Financial Director

Chief Accountant



David Paul Westall

Asylbek Aydarkulov

Yelena Chumichyova