



*Consolidated Financial Statements*

**RG Brands JSC & Subsidiaries**


*as at 31 March 2016*

**Consolidated Statement of Profit and Loss and Other  
Comprehensive Income for the Period Ended  
31 March 2016**


(KZT'000)

	Note	3 months of 2016	3 months of 2015
REVENUE	4	9 411 789	7 910 541
COST OF SALES	5	(5 890 458)	(4 875 429)
<b>GROSS PROFIT</b>		<b>3 521 332</b>	<b>3 035 112</b>
Selling expenses	6	(1 176 543)	(1 733 719)
General and administrative expenses	7	(756 962)	(729 746)
<b>OPERATING INCOME</b>		<b>1 587 827</b>	<b>571 647</b>
Finance costs	8	(249 257)	(255 746)
Exchange (loss)/gain		92 073	(69 284)
Investment income, net		62 724	4 335
Other (costs)/gains	9	(32 516)	(32 686)
<b>(LOSS)/PROFIT BEFORE INCOME TAX BENEFIT</b>		<b>1 460 850</b>	<b>218 267</b>
Corporate income tax (current)		(86 657)	(77 481)
Deferred income tax		-	-
<b>(LOSS)/PROFIT FOR THE PERIOD</b>		<b>1 374 193</b>	<b>140 786</b>
Revaluation of property, plant and equipment		4 737 804	-
Exchange difference from foreign entity translation		(20 566)	14 171
Deferred tax attributed to revaluation		-	-
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME</b>		<b>6 091 430</b>	<b>154 957</b>
Profit/(loss) attributable to:			
Shareholders of the parent company		1 374 193	140 786
		1 374 193	140 786
Earnings per common share, KZT	10	437	45

For the Group Management:

  
Askat Agybayev  
Acting Chairman of the  
Management Board

  
Askat Agybayev  
Chief Financial Officer

  
Nataliya Ivanova  
Chief Accountant

**Consolidated Statement of Financial Position  
as at 31 March 2016**

(KZT'000)

	Note	At 31 March 2015	At 31 December 2015
<b>ASSETS</b>			
NON-CURRENT ASSETS:			
Property, plant and equipment	11	22 053 336	17 504 469
Advances paid	12	50 031	53 307
Intangible assets		47 138	50 955
Goodwill		68 026	68 026
<b>TOTAL NON-CURRENT ASSETS</b>		<b>22 218 530</b>	<b>17 676 756</b>
CURRENT ASSETS:			
Inventory	13	6 241 328	4 731 612
Trade accounts receivable	12	1 341 676	1 453 046
Advances paid	12	680 146	316 802
Other financial assets	14	2 428 929	2 683 160
Other current assets	15	986 140	492 979
Bank deposits		859	804
Cash and cash equivalents		8 536 394	10 541 082
Assets classified as held for sale		1 585 284	1 585 284
<b>TOTAL CURRENT ASSETS</b>		<b>21 800 756</b>	<b>21 804 769</b>
<b>TOTAL ASSETS</b>		<b>44 019 286</b>	<b>39 481 525</b>
<b>EQUITY AND LIABILITIES</b>			
EQUITY:			
Share capital		2 787 696	2 787 696
Preferred shares held within the Group		(947 400)	(947 400)
Treasury stock		(153 411)	(152 436)
Provisions		5 576 044	910 632
Retained earnings		6 188 830	5 979 437
Equity attributable to shareholders of parent company		13 451 758	8 577 929
Minority interest			
<b>TOTAL EQUITY</b>		<b>13 451 758</b>	<b>8 577 929</b>
NON-CURRENT LIABILITIES:			
Long-term loans	16	11 334 468	13 620 698
Deferred corporate income tax liability		1 484 071	1 484 072
Accounts payable	17	85 547	84 520
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>12 904 087</b>	<b>15 189 289</b>
CURRENT LIABILITIES:			
Accounts payable	17	7 737 788	6 827 349
Short-term loans and current portion of long-term loans	16	9 050 070	7 330 074

Taxes payable	18	422 722	1 146 463
Other accounts payable and accrued liabilities	19	452 861	410 421
<b>TOTAL CURRENT LIABILITIES</b>		<u>17 663 441</u>	<u>15 714 307</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>44 019 286</u>	<u>39 481 526</u>
Carrying amount per common share (KZT)		4 263	2 706
Carrying amount per preferred share (KZT)		1 200	1 200

For the Group Management:

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**Askat Agybayev**  
 Acting Chairman of the  
 Management Board

**Askat Agybayev**  
 Chief Financial Officer



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**Nataliya Ivanova**  
 Chief Accountant

**Consolidated Statement of Cash Flows  
for the period ended 31 March 2016 (indirect method)**


(KZT'000)

<b>OPERATING ACTIVITY:</b>	<b>01.01.2016- 31.03.2016</b>	<b>01.01.2015- 31.03.2015</b>
Profit from operating activity before tax	1 460 850	218 267
Adjustments for:		
Amortisation and depreciation	385 398	377 072
Finance costs	249 257	255 746
Exchange (gain) /loss	(92 073)	69 284
Loss from disposal of property, plant and equipment	-	32 685
Loss from non-operating activities	32 516	-
Recovery of selling expenses through set-off	590 821	(22 915)
Investment (gain)/loss, net	(62 724)	(4 335)
Cash flow from operating activity before changes in working capital	2 564 045	925 804
Increase /(decrease) in inventory	(1 509 716)	703 691
Increase /(decrease) in trade receivables	111 370	128 039
Increase /(decrease) in advances paid	(360 068)	43 923
Increase /(decrease) in other current assets	(238 930)	326 581
Increase /(decrease) in payables	320 646	(1 522 107)
Increase /(decrease) in taxes payable	(723 741)	(44 231)
Increase /(decrease) in other payables and accrued liabilities	42 440	58 296
Cash from operating activity	206 046	619 996
Interest paid	(374 924)	(208 240)
Income tax paid	(50 189)	
Net cash from operating activity	(219 067)	411 756
<b>INVESTING ACTIVITY:</b>		
Net acquisition of investments held for trading	(4 353 735)	-
Proceeds from disposal of property, plant and equipment, intangible assets and assets classified as held for sale	6 684	(675 120)
Net cash inflow from acquisition and sale of other investments	4 439 148	-
Acquisition of property, plant and equipment and intangible assets	(288 504)	-
Net cash from investing activity	(196 407)	(675 120)
<b>FINANCING ACTIVITY:</b>		
Repayment of borrowings	(2 539 768)	(1 097 883)
Finance lease paid	-	(17 077)
Dividends paid	(1 199 999)	-
Borrowings received	1 888 166	3 720 780
Net cash from financing activities	(1 851 601)	2 605 821
Effect of fluctuations in exchange rate on cash and cash equivalents	262 386	-



NET INCREASE IN CASH AND CASH EQUIVALENTS	(2 004 688)	2 342 457
CASH AND CASH EQUIVALENTS, beginning of the period	10 541 082	1 907 359
CASH AND CASH EQUIVALENTS, end of the period	8 536 394	4 249 816

For the Group Management:

  
Askat Agybayev  
Acting Chairman of the  
Management Board



Askat Agybayev  
Chief Financial Officer



Nataliya Ivanova  
Chief Accountant

**Consolidated Statement of Changes in Equity for the period ended 31 March 2016**

(KZT'000)

	<u>Share capital</u>	<u>Treasury shares</u>	<u>Preferred shares held within the Group</u>	<u>Real estate revaluation provision</u>	<u>Provision for share-based employee benefits</u>	<u>Exchange difference provision</u>	<u>Retained earnings</u>	<u>Total equity</u>
Balance at 01 January 2015	2 787 696	(152 427)	(947 400)	1 419 392	944 599	(6 941)	5 238 219	9 283 138
Net profit	-	-	-	-	-	-	1 696 602	1 696 602
Dividends paid	-	-	-	-	-	-	(2 073 626)	(2 073 626)
Repurchase of own stock	-	(9)	-	-	-	-	(21 863)	(21 872)
Fair value adjustment of loan to shareholder	-	-	-	-	-	-	(17 979)	(17 979)
Exchange difference resulting from foreign exchange translation	-	-	-	-	-	(288 334)	-	(288 334)
Reclassification to retained earnings	-	-	-	(213 485)	(944 599)	-	1 158 084	-
Balance at 31 December 2015	2 787 696	(152 436)	(947 400)	1 205 907	-	(295 275)	5 979 437	8 577 929
Net profit	-	-	-	-	-	-	1 374 193	1 374 193
Dividends paid	-	-	-	-	-	-	(1 199 999)	(1 199 999)
Expansion of capital stock	-	(975)	-	-	-	-	(16 627)	(17 602)
Restatement of buildings and constructions	-	-	-	4 737 804	-	-	-	4 737 804
Exchange difference resulting from foreign exchange translation	-	-	-	-	-	(20 566)	-	(20 566)
Reclassification to retained earnings	-	-	-	(51 826)	-	-	51 826	-
Balance at 31 March 2016	2 787 696	(153 411)	(947 400)	5 891 885	-	(315 841)	6 188 830	13 451 758

For the Group Management:

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Acting Chairman of the  
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