



**JSC JV “UZBEK LEASING INTERNATIONAL A.O.”**

Financial statements for the year ended 31 December 2015  
and Independent Auditor's Report

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## Independent Auditor's Report

### **To the Management and Shareholders of JSC JV "Uzbek Leasing International A.O.":**

We have performed an audit of attached financial statements of JSC JV "Uzbek Leasing International A.O." (hereinafter – the Company). Financial statements comprise Statement of Financial position as of 31 December 2015, Statement of Comprehensive income, Cash flow statement and Statement of changes in owners' capital for the year ended on abovementioned date, and well as main principles of accounting policy and other explanatory notes.

#### *Management's responsibility for financial statements*

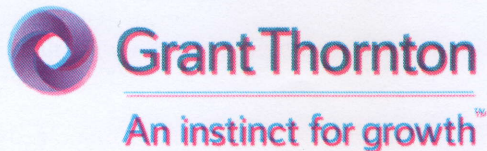
Management of the Company is responsible for preparation and fair presentation of specified financial statements in accordance with International Financial Reporting Standards, as well as for maintenance of internal control system, which management of the Company considers necessary for preparation of financial statements, which are free of material misstatements that may result from frauds or mistakes.

#### *Auditor's responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit engagement. We have conducted our audit in accordance with the International Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether financial statements are free of material misstatements.

Audit comprises of performance of necessary procedures for obtaining auditing evidence that confirms figure presented in these financial statements and information disclosed. The selected procedures depend on auditor's judgement, including assessment of risk of material misstatements in financial statements that may result from frauds and mistakes. During the assessment of such risks and auditor examines internal control system related to the preparation and fair presentation of entity's financial statements to develop audit procedures applicable in particular circumstances, but not to express an opinion about effectiveness of entity's internal control. Audit also includes assessment of acceptability of accounting policies used and reasonableness accounting estimates made by management, as well as evaluating of financial statements in general.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. Making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements, 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 entity's internal control.<sup>5</sup> An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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

*Opinion*

In our opinion, the financial statements present fairly in all material respects, the financial position of the Company as of December 31, 2015 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

*Emphasis of Matter Paragraph*

Without qualifying our opinion, we would like to draw attention to the fact that the US dollar amounts in the accompanying financial statements are solely presented for the convenience of the users as described in Note 3 to the accompanying financial statements and do not form part of the financial statements. US dollar amounts are translated from Uzbek Soum as a matter of arithmetical computation only, using Exchange Rate of the Central Bank of Republic of Uzbekistan at 31 December 2015: UZS/USD – 2,809.98 (average Exchange Rate used for the year ended 31 December 2015 - 2,571.15 UZS per one USD) and should not be construed as a representation that Uzbek Soum amounts have been, could be or will be in the future converted to US dollar at this rate or at any other exchange rate nor that US dollar amounts present fairly the financial position of the Company or the result of operation, cash flow or changes in equity in accordance with International Financial Reporting Standards.

*Explanatory close*

The financial statements of the Company for the year ended 31 December 2014 was verified by another auditor who expressed unqualified opinion with the same emphasis of matter paragraph on that financial statements on 14 April 2015.

*Grant Thornton AO LLC*

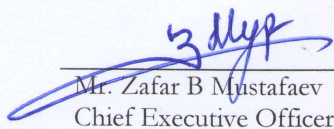


«Grant Thornton» AO LLC  
15 April 2016  
Tashkent, Uzbekistan

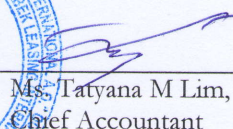
## Statement of Financial Position

| Supplementary information (USD'000)              |       |                     |                     |                     |                     |
|--------------------------------------------------|-------|---------------------|---------------------|---------------------|---------------------|
|                                                  | Notes | 31 December<br>2015 | 31 December<br>2014 | 31 December<br>2015 | 31 December<br>2014 |
| <b>Assets</b>                                    |       |                     |                     |                     |                     |
| Cash and Cash equivalents                        | 6     | 47 096 677          | 5 108 158           | 16 761              | 2 109               |
| Due from Banks                                   | 7     | -                   | 6 854 399           | -                   | 2 830               |
| Finance Lease Receivables,net                    | 8     | 101 424 737         | 62 778 354          | 36 094              | 25 916              |
| Equipment for leasing                            | 9     | 755 036             | 7 711 603           | 269                 | 3 183               |
| Property, equipment and intangible assets        | 10    | 604 006             | 675 302             | 215                 | 279                 |
| Pre-payments made to vendors for lease equipment | 11    | 220 900             | 1 231 446           | 79                  | 508                 |
| Other assets                                     | 12    | 2 833 689           | 2 457 525           | 1 008               | 1 015               |
| <b>Total assets</b>                              |       | <b>152 935 045</b>  | <b>86 816 787</b>   | <b>54 426</b>       | <b>35 840</b>       |
| <b>Liabilities</b>                               |       |                     |                     |                     |                     |
| Borrow ings                                      | 13    | 58 052 568          | 48 804 875          | 20 659              | 20 147              |
| Finance lease liabilities                        | 14    | 7 625 182           | 7 707 840           | 2 714               | 3 182               |
| Advances from leasees                            | 15    | 6 204 121           | 3 323 696           | 2 208               | 1 372               |
| Other liabilities                                | 16    | 18 558 550          | 2 236 736           | 6 604               | 925                 |
| <b>Total Liabilities</b>                         |       | <b>90 440 421</b>   | <b>62 073 147</b>   | <b>32 185</b>       | <b>25 626</b>       |
| <b>Equity</b>                                    |       |                     |                     |                     |                     |
| Share capital                                    | 17    | 34 828 558          | 6 979 295           | 12 395              | 2 881               |
| Retained Earning                                 |       | 27 666 066          | 17 764 345          | 9 846               | 7 333               |
| <b>Total equity</b>                              |       | <b>62 494 624</b>   | <b>24 743 640</b>   | <b>22 241</b>       | <b>10 214</b>       |
| <b>Total liabilities and equity</b>              |       | <b>152 935 045</b>  | <b>86 816 787</b>   | <b>54 426</b>       | <b>35 840</b>       |

Approved and signed on behalf of the Company management:

  
Mr. Zafar B Mustafaev  
Chief Executive Officer



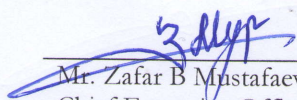
  
Ms. Tatyana M Lim,  
Chief Accountant

15 April 2016  
Tashkent, Uzbekistan

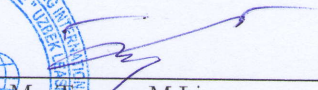
## Statement of Comprehensive Income

| Supplementary information (USD'000)                                                 |       |                   |                   |                  |                  |
|-------------------------------------------------------------------------------------|-------|-------------------|-------------------|------------------|------------------|
|                                                                                     | Notes | 31 December 2015  | 31 December 2014  | 31 December 2015 | 31 December 2014 |
| <i>Income</i>                                                                       |       |                   |                   |                  |                  |
| Interest income on finance lease                                                    | 18    | 24 017 732        | 14 702 455        | 9 341            | 6 069            |
| Provision for impairment of finance lease receivables                               | 8     | (403 418)         | (339 305)         | (157)            | (140)            |
| <b>Interest income net of provision for impairment of finance lease receivables</b> |       | <b>23 614 314</b> | <b>14 363 150</b> | <b>9 184</b>     | <b>5 929</b>     |
| Interest expense                                                                    | 19    | (7 513 923)       | (6 215 886)       | (2 922)          | (2 566)          |
| FX gains less losses                                                                |       | 2 981 744         | 3 113 658         | 1 160            | 1 285            |
| Provision for impairment of other assets                                            | 12    | (374 580)         | -                 | (146)            | -                |
| Other operating income                                                              | 20    | 1 627 848         | 427 887           | 633              | 177              |
| Operating expense                                                                   | 21    | (8 036 953)       | (5 036 675)       | (3 126)          | (2 079)          |
| <b>Profit for the year</b>                                                          |       | <b>12 298 450</b> | <b>6 652 134</b>  | <b>4 783</b>     | <b>2 746</b>     |
| <b>Total comprehensive income for the year</b>                                      |       | <b>12 298 450</b> | <b>6 652 134</b>  | <b>4 783</b>     | <b>2 746</b>     |

Approved and signed on behalf of the Company management:

  
Mr. Zafar B Mustafaev  
Chief Executive Officer



  
Ms. Taryana M Lim,  
Chief Accountant

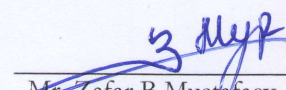
15 April 2016  
Tashkent, Uzbekistan

Notes on pages from 7 to 52 are inseparable part of these financial statements.

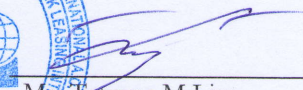
## Statement of Changes in Owners' Equity

| Notes                       | Share capital | Additional Capital | Retained Earnings | Total Equity | Supplementary information (USD'000) |                    |                   |              |
|-----------------------------|---------------|--------------------|-------------------|--------------|-------------------------------------|--------------------|-------------------|--------------|
|                             |               |                    |                   |              | Share capital                       | Additional Capital | Retained Earnings | Total Equity |
| Balance at 1 January 2014   | 5 129 070     | 1 850 225          | 12 529 111        | 19 508 406   | 2 117                               | 764                | 5 172             | 8 053        |
| Net profit for the year     | -             | -                  | 6 652 134         | 6 652 134    | -                                   | -                  | 2 746             | 2 746        |
| Dividends declared          | 22            | -                  | (1 416 900)       | (1 416 900)  | -                                   | -                  | (585)             | (585)        |
| Balance at 31 December 2014 | 5 129 070     | 1 850 225          | 17 764 345        | 24 743 640   | 2 117                               | 764                | 7 333             | 10 214       |
| Issue of new shares         | 17            | 3 984 518          | -                 | 3 984 518    | 1 418                               | -                  | -                 | 1 418        |
| Share premium               | 17            | -                  | 23 864 745        | 23 864 745   | -                                   | 8 493              | -                 | 8 493        |
| Net profit for the year     | -             | -                  | 12 298 450        | 12 298 450   | -                                   | -                  | 4 783             | 4 783        |
| Dividends declared          | 22            | -                  | (2 396 729)       | (2 396 729)  | -                                   | -                  | (931)             | (931)        |
| Effect on FX translation    | -             | -                  | -                 | -            | (57)                                | (340)              | (1 339)           | (1 736)      |
| Balance at 31 December 2015 | 9 113 588     | 25 714 970         | 27 666 066        | 62 494 624   | 3 478                               | 8 917              | 9 846             | 22 241       |

Approved and signed on behalf of the Company management:

  
Mr. Zafar B Mustafaev  
Chief Executive Officer



  
Mr. Letyana M Lim,  
Chief Accountant

15 April 2016  
Tashkent, Uzbekistan

Notes on pages from 7 to 52 are inseparable part of these financial statements.

## Cash Flow Statement

| Notes                                                                                         | 31 December          |                     | Supplementary information (USD'000) |                  |
|-----------------------------------------------------------------------------------------------|----------------------|---------------------|-------------------------------------|------------------|
|                                                                                               | 2015                 | 2014                | 31 December 2015                    | 31 December 2014 |
| <b>Cash flow from operating activities</b>                                                    |                      |                     |                                     |                  |
| Finance income received from leases                                                           | 23 825 695           | 15 066 611          | 9 267                               | 6 220            |
| Interest paid                                                                                 | (7 512 973)          | (5 713 744)         | (2 922)                             | (2 359)          |
| Other income received                                                                         | 1 627 848            | 44 968              | 633                                 | 19               |
| Staff cost paid                                                                               | 8 (3 379 267)        | (2 870 543)         | (1 314)                             | (1 185)          |
| Operating expenses paid                                                                       | 15 (3 476 571)       | (2 283 376)         | (1 352)                             | (943)            |
| <b>Cash flow from operating activities before changes in operating assets and liabilities</b> | <b>11 084 732</b>    | <b>4 243 916</b>    | <b>4 311</b>                        | <b>1 752</b>     |
| Net decrease/(increase) in Due from Banks                                                     | 9 6 854 399          | 1 107 346           | 2 439                               | 457              |
| Net decrease/(increase) in Finance lease receivables                                          | 9 (38 646 383)       | (17 554 612)        | (13 753)                            | (7 247)          |
| Net decrease/(increase) in Equipment for leasing                                              | 6 956 567            | (5 021 170)         | 2 476                               | (2 073)          |
| Net decrease/(increase) in Pre-payments made to vendors                                       | 1 010 546            | (307 438)           | 360                                 | (127)            |
| Net decrease/(increase) in Other Assets                                                       | (376 164)            | (908 204)           | (134)                               | (375)            |
| Net increase/(decrease) in advances received                                                  | 2 880 425            | 1 445 077           | 1 025                               | 597              |
| Net increase/(decrease) in other liabilities                                                  | 16 321 814           | 820 144             | 5 809                               | 339              |
| <b>Net cash from operating activities</b>                                                     | <b>6 085 936</b>     | <b>(16 174 941)</b> | <b>2 532</b>                        | <b>(6 677)</b>   |
| <b>Cash flow from investing activities</b>                                                    |                      |                     |                                     |                  |
| Purchase of Property and Equipment                                                            | 8 (138 532)          | (624 627)           | (49)                                | (258)            |
| Proceeds from disposal of Property and Equipment                                              | 9 99 865             | 66 771              | 36                                  | 28               |
| <b>Net cash used in investing activities</b>                                                  | <b>(38 667)</b>      | <b>(557 856)</b>    | <b>(14)</b>                         | <b>(230)</b>     |
| <b>Cash flow from financing activities</b>                                                    |                      |                     |                                     |                  |
| Borrowings received                                                                           | 58 465 535           | 38 341 463          | 20 806                              | 15 828           |
| Repayments of Borrowings                                                                      | (32 527 258)         | (17 023 168)        | (12 155)                            | (7 027)          |
| Repayment of Finance lease from banks                                                         | (1 432 573)          | (1 755 084)         | (510)                               | (725)            |
| Dividends paid                                                                                | 13 (2 396 729)       | (1 416 900)         | (931)                               | (585)            |
| New share issue                                                                               | 13 825 991           | -                   | 4 920                               | -                |
| <b>Net cash used in financing activities</b>                                                  | <b>35 934 966</b>    | <b>18 146 311</b>   | <b>12 131</b>                       | <b>7 491</b>     |
| <b>Effect of Exchange rate changes on cash and cash equivalents</b>                           | <b>11 6 284</b>      | <b>43 137</b>       | <b>2</b>                            | <b>18</b>        |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                                   | <b>41 988 519</b>    | <b>1 456 651</b>    | <b>14 652</b>                       | <b>602</b>       |
| Cash and cash equivalents at the beginning of the year                                        | 5 108 158            | 3 651 507           | 2 109                               | 1 507            |
| <b>Cash and cash equivalents, end of year</b>                                                 | <b>11 47 096 677</b> | <b>5 108 158</b>    | <b>16 761</b>                       | <b>2 109</b>     |

Approved and signed on behalf of the Company management:

Mr. Zafar B Mustafaeu  
Chief Executive Officer

Ms. Tatyana M Lim,  
Chief Accountant

15 April 2016

Tashkent, Uzbekistan

Notes on pages from 7 to 52 are inseparable part of these financial statements.