

Preliminary Company Check

(Real case based profile with changed names, places and dates)

Alter Group

Kyrgyz Trade Company LLC, Fashion Lab LLP and Beauty LLC all are registered on the same address at 13 Almain Street, Business Centre "Wind" 040050, Bishkek, Kyrgyz Republic. However, it is to be expected, since these legal entities are parts of Alter Group.

Kyrgyz Trade Company LLC is in charge of all the legal rights of the Group.

Full Name: Limited Liability Partnership "Kyrgyz Trade Company LLC "

Short name: KTC Company LLP

CEO: Yuri P. Pack

Registration info:

Date of Key State Registration Code (OGRN) attribution: 11.07.2009

Tax Identification code (RNN) 500400647559

OKPO (Enterprise Classification Code): 50582092

Tel: 296-49-38 (ext. 101)

Mail: info@alter.kg

Fashion Lab LLP performs all operating and financial liabilities of the Group and is in charge of the purchase and retail of apparel for men and women. Fashion Lab LLC employs 350 employees approximately. Alex Kruger is a Director General since June 16, 2014.

Beauty LLC is in charge of retail and purchase of baby wear and employs about 270 employees.

A significant proportion of products sold by the company fall on the Ivanovo, Russia brand PATT that was the first brand with which the Alter history has begun.

On the Kyrgyzstan Internet forums the environment in the Group's offices is described as relaxed and without much responsibility. Employees claim that in retail stores they should work hard, but for fair wages.

The company is rated as one with high personnel turnover (that, in principle, is typical for local retail)

One of the current company employees claims that during his stay with Beauty LLP 8 Chief Accountants and 5 CEO has been replaced and that during 3 years staff replacement in the company was about 2400 employees (permanent staff is about 250 employees).

Business processes in the company is described as a "big mess".

On the Internet forums Alter Group employees are constantly accuse company management of nepotism, incompetence and careerism.

Pack's Family Roots

Brothers Yuriy and Georgi Pack were born in Russia and later on have moved with their parents to the North Kyrgyzstan. Their father Pavel Pack (born in 1949) was a private entrepreneur during 1998 – 2012 with revenues that provided enough for living and acquiring Mercedes Benz SL500 M4 but hardly could he accumulate substantial capital by food reselling operations.

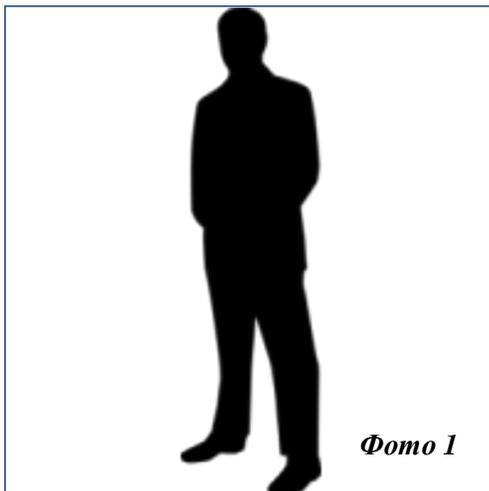
Packs' mother Galina Pack is living in Bishkek separately from her husband Pavel Pack who is registered in the city of Uzgen, Kyrgyzstan (no official confirmation of the divorce is available). Galina Pack is the owner of the Dental Center in Bishkek since 2007 and a real estate property including apartments in the new residential building and a cottage in elite town-house in the center of Bishkek . Both brothers Pack are registered in this cottage at 15 Lenina Street, Bishkek .

Supposedly Galina Pack could be a source of funding and promotion for her sons.

No data is available in public sources not in the state registers about education of Georgi Pack and Yuriy Pack.

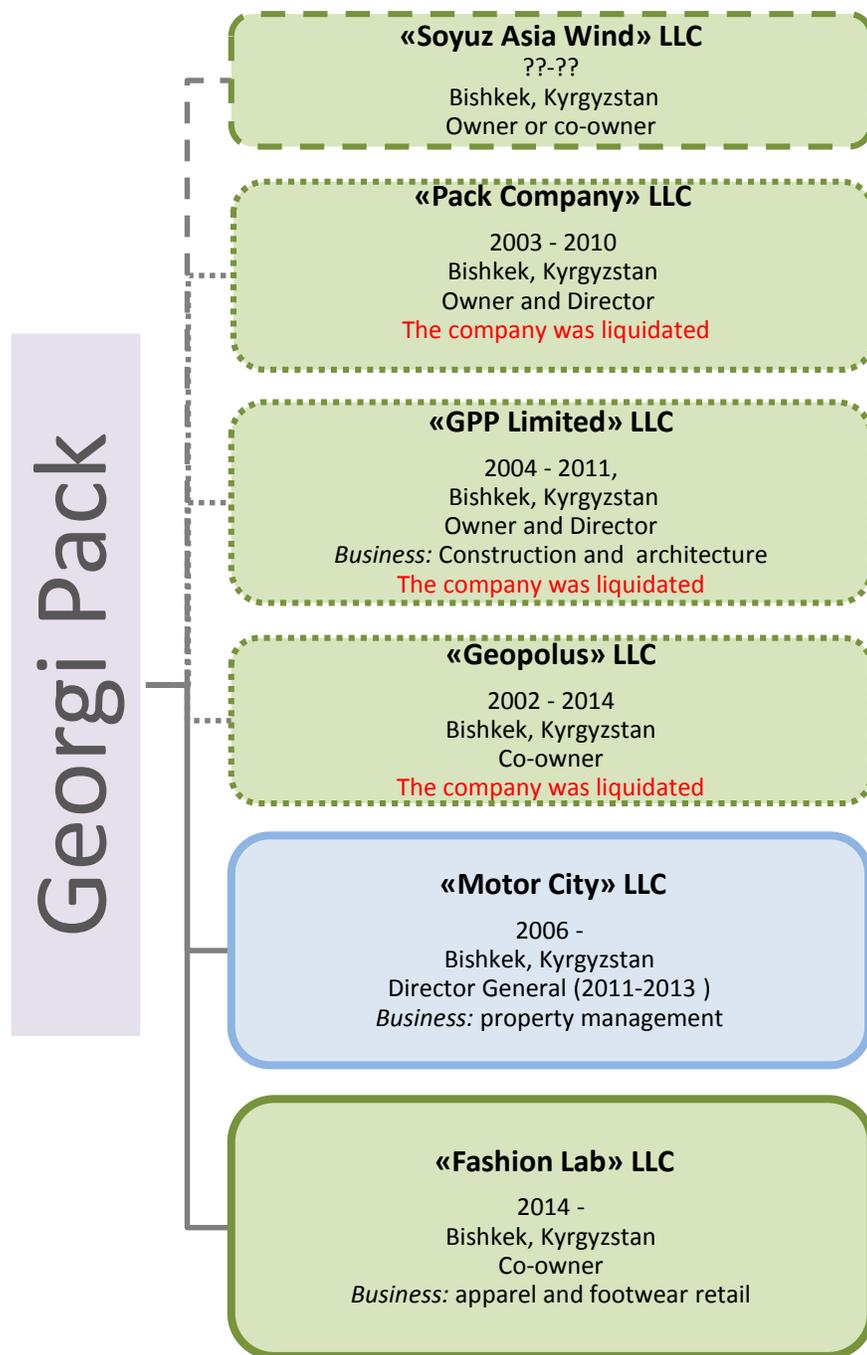
Neither of them have criminal or related to some illegal activities records.

Georgi Pack



There is no data available about Georgi's past, his friends or marital status.

Georgi Pack's business activity at different times was marked with founding, co-founding or managing 6 companies. Most of them are not active now and were excluded from the company list in the State Registry because were "economically not active" over several years.

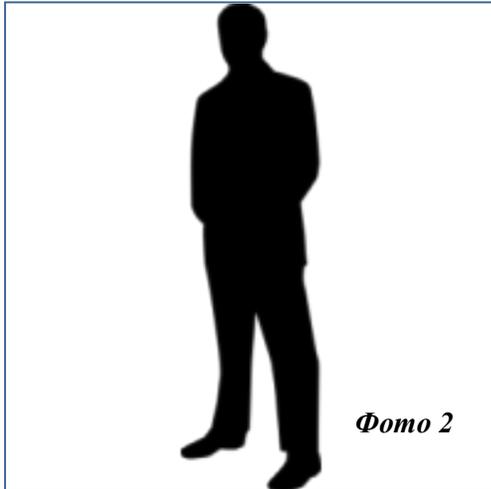


Four of six Georgi Pack’s companies were not represented neither in advertising activities or in media promotion of their business in recent years. There are no records about their participation in tenders or procurement activity. No taxes were paid and there were no legal suits against the companies as well as a cases initiated by the companies itself.

All of these indications are for the companies that either fictitious or marginally profitable and could not be a source of legal funding of the «Alter Group» development or acquisition.

Unlike his brother Georgi Pack is not registered in any social networks but among the two brothers Georgi acts more like a public person.

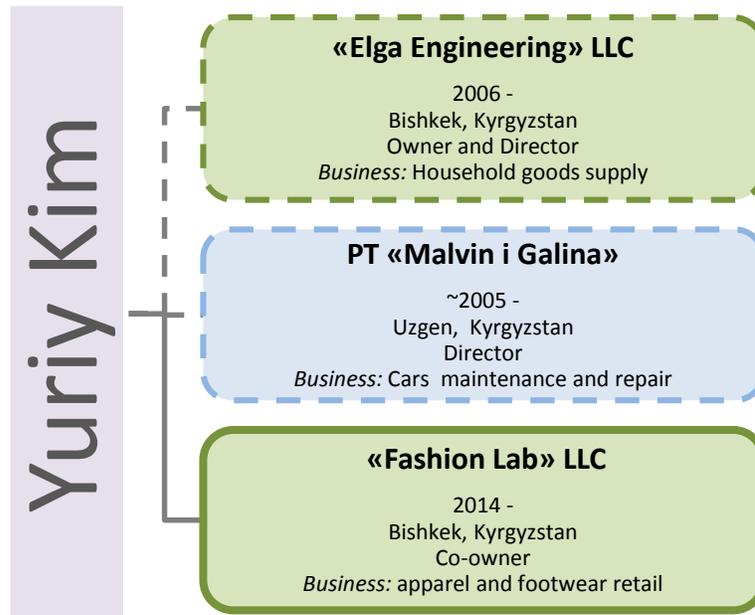
Yuri Pack



In his 20th Yuri was a bike fan and owned 3 models of Yamaha motorbikes sold later on.

Mercedes Benz 600, Aston Martin, and Nissan Skyline are currently registered as Yuri Pack' property. At the same time there is no real estate property registered for him.

With regard to the business activity of Yuri Pack there is one company registered in his name and one record of him being a Director.



The above two Yuri Pack's companies are poorly represented in advertising activity and according to the official registers are related to the small business enterprises (1 to 5 employees for " Malvin i Galina." and 10 25 employees for the "Elga Engineering ")

There is direct indication that these companies do not have impressive turnovers if to be judged by the amount of taxes paid. For 2 quarters of 2014 LLC "Elga Engineering" paid about \$5K VAT, i.e. company's turnover during the period could hardly exceed \$25K.

It means that these companies could not be the source for funding of the Alter Group development or acquisition.

For a variety of indirect indications - publicity reluctance and more important formal role in the partnership - Yuriy Pack, despite the fact that he's younger brother, could be attributed to the leader of the Pack's tandem.

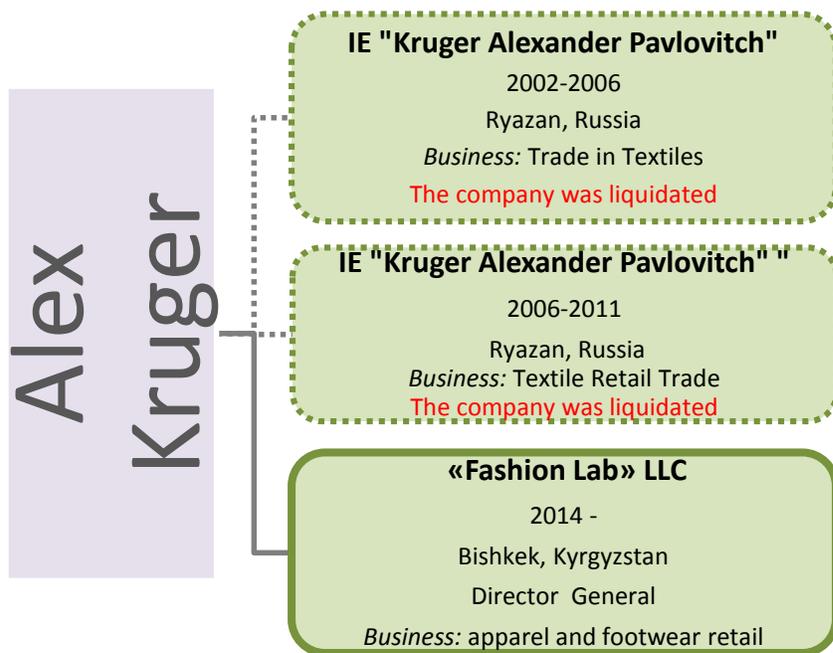
Alexander Kruger ("John")

There is not too much information about Alexander Kruger. It's probably due to the fact that he for a long time was in Russia and could have citizenship of Kyrgyzstan and Russia both.

Kruger does not have criminal or related to some illegal activities records.

However, in 2009 he was brought to administrative responsibility by Bishkek Traffic Police for traffic rules violation.

There is a record in the Ryazan region of Russia tax authority's registry for the person with the same name and date of birth as an individual entrepreneur (IE). Legal entity IE "Kruger Alexander Pavlovitch" was among the companies listed in on-line advertizing directories.



Alex Kruger (nickname "John") is among the first and long time Yuri Pack's "friends" on Facebook.

Kruger is registered on 45 Akhunbaev Street, apartment 20, Bishkek , Kyrgyzstan but there are no records neither for real estate nor for cars as his property in the territory of Kyrgyzstan.

Conclusion

1. Of all three persons above only Alexander Krieger appointed General Director of Fashion Lab LLC on September 15, 2014 has competences in retail trade in textile products.
2. Neither of persons above could be real owner of the Fashion Lab company (that is one of the key apparel retailers in Kyrgyzstan) as well as Alter Group.
3. It's quite probable that the end beneficiary/beneficiaries of the Alter Group are one of Kyrgyzstan Bank, Company or private person that would like to stay unrecognized as real beneficiary.