



RG BRANDS JSC & SUBSIDIARIES

NOTES

**to the Interim Consolidated Financial Statements
at 30 September 2022**
(in KZT thousands unless stated otherwise)

1. GENERAL

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 September 2022 and 31 December 2021 the registered share capital of RG Brands JSC was KZT 2,787,696 thousand. As at 30 September 2022 and 31 December 2021 the share capital comprised 3,452,730 common shares amounting to KZT 1,840,296 thousand and 789,500 preferred shares amounting to KZT 947,400 thousand. The share capital was paid in full. As at 30 September 2022 and 31 December 2021 shareholders of the Company were as follows:

| Shareholders | Interest | | Common Shares | | Amount | |
|---------------------|---------------|---------------|------------------|------------------|------------------|------------------|
| | 30.09.2022 | 31.12.2021 | 30.09.2022 | 31.12.2021 | 30.09.2022 | 31.12.2021 |
| Mr. T.S. Kaltayev. | 0.87% | 1.89% | 30 000 | 30 000 | 33 400 | 33 400 |
| Mr. K.K. Mazhibayev | - | 95.75% | - | 1 519 771 | - | 944 301 |
| Mr. A. Agybayev | 0.55% | 1.20% | 19 000 | 19 000 | 17 470 | 17 470 |
| Mr. R. Bayazerov | 0.53% | 1.16% | 18 355 | 18 355 | 10 481 | 10 481 |
| Mr. A.V. Khalyapin | 0.00% | 0.01% | 138 | 138 | 501 | 501 |
| RG Brands Holding | 98.05% | - | 3 385 237 | - | 1 764 789 | - |
| Total | 100.0% | 100.0% | 3 452 730 | 1 587 264 | 1 840 296 | 1 006 154 |

As at 30 September 2022 all common shares were in circulation and as at 31 December 2021 repurchased common shares of the Group made KZT 820,063 thousand or 1,440,466 common shares. Besides as at 30 September 2022 and 31 December 2021 repurchased preferred shares made KZT 947,400 or 789,500 preferred shares.

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

| | Ownership interest | | Voting right | |
|-----------------------------|--------------------|------------|--------------|------------|
| | 30.09.2022 | 31.12.2021 | 30.09.2022 | 31.12.2021 |
| RG Brands Kazakhstan LLP | 100% | 100% | 100% | 100% |
| Uni Commerce Ltd. LLP | 100% | 100% | 100% | 100% |
| RG Brands Kyrgyzstan LLC | 100% | 100% | 100% | 100% |
| RG BRANDS SOUTH LLC | 100% | 100% | 100% | 100% |
| PRG Bottlers Kazakhstan LLP | 100% | 100% | 100% | 100% |
| RG Brands Sever LLC | 100% | 100% | 100% | 100% |

Структура и операции Группы – В структуру Группы входят Компания АО «RG Brands» и следующие дочерние компании:

| | Долевое участие | | Право голоса | |
|-------------------------------|-----------------|---------------|---------------|---------------|
| | 30.09.2022 г. | 31.12.2021 г. | 30.09.2022 г. | 31.12.2021 г. |
| ТОО «RG Brands Kazakhstan» | 100% | 100% | 100% | 100% |
| ТОО «Uni Commerce Ltd.» | 100% | 100% | 100% | 100% |
| ОсОО «RG Brands Kyrgyzstan» | 100% | 100% | 100% | 100% |
| ООО «RG BRANDS SOUTH» | 100% | 100% | 100% | 100% |
| ТОО «PRG Bottlers Kazakhstan» | 100% | 100% | 100% | 100% |
| ООО «RG Brands Sever» | 100% | 100% | 100% | 100% |

RG Brands began production and packing 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, ASU.

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

As at 30 September 2022 RG Brands 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 trademark, tea under Piala trademark, bottled water under Asu trademark. 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. In 2021, following the decision of the shareholders' general meeting, the Group wound up its subsidiary – RG Brands Tashkent LLC.

RG BRANDS SOUTH LLC was established in 2021 in the city of Tashkent to sell and distribute the products in the Republic of Uzbekistan.

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

In accordance with the decision of RG Brands JSC, a 100% subsidiary – RG Brands Sever LLC was registered on 6 May 2016 in the Russian Federation.

On 2 February 2022 RG Brands Holding Limited, the company registered in November 2021 in Dubai International Financial Centre (DIFC) and jointly controlled by the major shareholders of RG Brands JSC, purchased shares from RG Brands JSC.

The Head Office of the Company is located in Almaty; its production capacities are located in Almaty, Almaty Oblast, and Kostanai, Republic of Kazakhstan. As specified above, the Company is also present in Kyrgyz Republic, Republic of Uzbekistan and Russia to implement its 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 RG Brands Kazakhstan and PepsiCo Inc. and RG Brands Kazakhstan and Seven-Up International. Under these agreements, 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 renewal for every subsequent 5-year period.

The right to distribute PepsiCo Inc., Pepsi Lipton International Limited and Seven-Up products in the Kyrgyz Republic is provided based on the agreements signed with these companies, which operate through to 31 December 2025.

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 Financial Reporting Standard (hereinafter “IFRS”) IAS 34 Interim Financial Reporting.

The reporting period is from 01 January to 30 September 2022.

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 outstanding common shares.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New and revised standards and interpretations

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new standards and interpretations effective as of 1 January 2022. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The Group applied amendments to IFRS and Interpretations issued by the International Accounting Standards Board (IASB) listed below, which are effective for the reporting periods beginning on or after 1 January 2021, but they do not have any material impact on disclosures or amounts in these consolidated financial statements.

- Amendments to IFRS 9, IAS 39 and IFRS 7, IFRS 4, IFRS 16 – Interest Rate Benchmark Reform. Phase 2;
- Amendment to IFRS 16 extends exemption from assessing whether a COVID-19-related rent concession is a lease modification.

Application of new standards and interpretations do not result in significant changes of the Group's accounting policies influencing the results of the current and the previous reporting periods.

Going concern

The Group has prepared these interim condensed financial statements on the basis that it will continue to operate as a going concern, which assumes the realization of assets and settlement of liabilities in the normal course of business in the foreseeable future.

Foreign currency transactions

These interim condensed financial statements are presented in Kazakhstan Tenge (KZT), which is the Group's functional currency in the Republic of Kazakhstan and presentation currency.

In preparing financial statements of separate entities, transaction in currencies other than the functional currency of the Company, KZ Tenge, are carried at the exchange rates as at the transaction dates. At each reporting date monetary items stated in foreign currencies are translated at the exchange rates prevailing as at the reporting date. Non-monetary items that are measured at historical cost in a foreign currency are not restated.

Exchange differences are recognized in profit or loss when arise except for exchange differences arising from foreign currency borrowings attributable to construction in progress intended for future use in production that are included in the cost of such assets as an adjustment to interest costs.

See KZT exchange rates in the table below:

| | <u>30 June 2022</u> | <u>31 December 2021</u> |
|---------------|---------------------|-------------------------|
| US Dollar | 470.34 | 431.80 |
| Euro | 490.47 | 489.10 |
| Russian Ruble | 8.98 | 5.76 |
| Chinese yuan | 70.25 | 68.00 |

4. REVENUE

Revenue was as follows:

| | (KZT'000) | |
|--|---------------------|---------------------|
| | 9 months of 2022 | 9 months of 2021 |
| Sales of carbonated soft drinks, juice and juice containing drinks | 91 479 249 | 56 213 817 |
| Sales of packed tea, packed milk and food products | 20 532 329 | 16 488 829 |
| Sales of wholesale products | 211 527 | 110 281 |
| | <u>112 223 105</u> | <u>72 812 927</u> |

5. COST OF SALES

Cost of sales was as follows:

| | (KZT'000) | |
|-------------------------------------|---------------------|---------------------|
| | 9 months of 2022 | 9 months of 2021 |
| Raw and other materials | 57 862 478 | 35 652 628 |
| Payroll and related taxes | 1 312 223 | 1 016 156 |
| Repairs | 1 197 750 | 968 378 |
| Depreciation and amortisation | 1 107 289 | 1 057 647 |
| Utilities | 680 710 | 547 994 |
| Cost of sales of wholesale products | 156 717 | 97 532 |
| Other costs | 116 016 | 152 948 |
| | <u>62 433 183</u> | <u>39 493 283</u> |

6. SELLING EXPENSES

Selling expenses were as follows:

| | (KZT'000) | |
|---|---------------------|---------------------|
| | 9 months of 2022 | 9 months of 2021 |
| Transportation expenses | 7 932 759 | 5 619 930 |
| Advertising campaigns and market research | 7 565 602 | 2 739 300 |
| Sales representatives expenses | 5 334 481 | 4 041 290 |
| Payroll and related taxes | 1 922 145 | 1 470 166 |
| Warehouse services | 1 223 062 | 592 599 |
| Depreciation and amortisation | 939 499 | 639 647 |
| Repairs | 720 173 | 418 663 |
| Information services | 51 226 | 40 187 |
| Write-off of materials | 9 720 | 25 395 |
| Business trip expenses | 2 800 | 6 799 |
| Reimbursement of selling expenses | (1 404 899) | (44 545) |
| Other selling expenses | 493 680 | 576 614 |
| | <u>24 790 248</u> | <u>16 126 045</u> |

7. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses were as follows:

| | (KZT'000) | |
|---|-----------------------------|-----------------------------|
| | 9 months of 2022 | 9 months of 2021 |
| Payroll and related taxes | 3 119 558 | 2 066 667 |
| Taxes other than income tax | 440 598 | 325 287 |
| Information services | 433 702 | 296 794 |
| Bank charges | 331 916 | 210 003 |
| Depreciation and amortisation | 156 135 | 131 758 |
| Waste goods write-off | 358 133 | 135 424 |
| Communication services | 258 963 | 58 260 |
| Business trip expenses | 151 883 | 74 454 |
| Transportation expenses | 110 798 | 71 825 |
| Utilities | 77 995 | 54 949 |
| Consulting services | 182 409 | 182 215 |
| Insurance | 28 121 | 88 607 |
| Accrual of provision for expected credit losses | 10 403 | 44 639 |
| Penalties and fines | 23 582 | 7 754 |
| Others | 1 173 571 | 546 324 |
| | 6 857 767 | 4 438 157 |

8. FINANCE COSTS

Finance costs were as follows:

| | (KZT'000) | |
|--------------------------|-----------------------------|-----------------------------|
| | 9 months of 2022 | 9 months of 2021 |
| Interest expense | 3 258 995 | 2 728 981 |
| Letter of credit charges | 253 899 | 81 405 |
| Others | - | - |
| | 3 512 894 | 2 810 386 |

9. OTHER COSTS/GAINS

Other costs were as follows:

| | (KZT'000) | |
|--|-----------------------------|-----------------------------|
| | 9 months of 2022 | 9 months of 2021 |
| (Loss)/income from disposal of property, plant and equipment | 14 597 | (348 546) |
| Other operating income, net | 499 028 | 351 253 |
| Other | (16 033) | (18 522) |
| | 497 592 | (15 815) |

10. НАЛОГ НА ПРИБЫЛЬ

| | 9 months of 2022 | 9 months of 2021 |
|---------------------------------------|---------------------|---------------------|
| Current income tax expense | 1 232 490 | 914 140 |
| Deferred income tax (benefit)/expense | 761 680 | (533 740) |
| | <u>1 994 170</u> | <u>380 400</u> |

Deferred taxes reflect net tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realized or the liability is settled.

In the Republic of Kazakhstan where the Company is located, 2022-2021 income tax rate was 20 %.

11. EARNINGS AND CARRYING AMOUNT 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.

| | 9 months of 2022 | 9 months of 2021 |
|--|---------------------|---------------------|
| Profit for the period | 9 717 060 | 9 652 243 |
| Weighted average number of common shares | 3 452 730 | 2 012 264 |
| Basic earnings per share, KZT | 2 814 | 4 797 |

Book value per common share is calculated based on net assets and the number of common shares outstanding at the reporting date

$$5\,357 = 18\,494\,816 / 3\,452\,730$$

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

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

- TA – total assets recognised in the statement of financial position as at the reporting date;
- IA – intangible assets in the statement of financial position as at the reporting date;
- TL – liabilities in the statement of financial position as at the reporting date;
- PS – balance of Authorised Capital, Preferred Shares in the statement of financial position as at the reporting date.

$$18\,494\,816 = (100\,762\,807 - 72\,439) - 82\,195\,552$$

| | 30.09.2022 | 31.12.2021 |
|---|------------|------------|
| Calculation of book value per common share | | |
| Net assets of the Group excluding intangible assets | 18 494 816 | 25 264 721 |
| Number of outstanding common shares | 3 452 730 | 1 587 264 |

Book value per common share, KZT

5 357

15 917

Book value per preferred share is calculated using the following formula:

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

BVPS2– book value of preferred share held within the Group as at the reporting date;

NOPS2– number of outstanding preferred shares at the reporting date;

LPS– balance of preferred shares recognised as liabilities in the statement of financial position as at the reporting date

$$1\ 200 = 947\ 400 / 789\ 500$$

| | 30.09.2022 | 31.12.2021 (KZT'000) |
|---|------------|-------------------------|
| Calculation of carrying amount per preferred share | | |
| Outstanding balance of preferred shares held within the Group | 947 400 | 947 400 |
| Number of outstanding preferred shares | 789 500 | 789 500 |
| Book value per preferred share, KZT | 1 200 | 1 200 |

12. PROPERTY, PLANT AND EQUIPMENT

| | Land | Buildings and construction s | Machinery and equipment | Vehicles | Other | Construction in progress | Total (KZT'000) |
|--|------------------|---------------------------------------|----------------------------|------------------|--------------------|-----------------------------|--------------------|
| Cost | | | | | | | |
| As at 1 January 2022 | 2 012 127 | 5 712 608 | 21 883 892 | 140 591 | 1 671 034 | 1 196 011 | 32 616 263 |
| Additions | 45 964 | - | 3 558 766 | - | 1 151 864 | 2 126 533 | 6 883 127 |
| Internal transfers | - | 28 671 | 1 702 745 | 7 217 | (235 297) | (1 503 336) | - |
| Disposals | - | - | (36 014) | - | (148 007) | - | (184 021) |
| As at 30 September 2022 | 2 058 091 | 5 741 279 | 27 109 389 | 147 808 | 2 439 594 | 1 819 208 | 39 315 369 |
| Accumulated depreciation | | | | | | | |
| As at 1 January 2022 | - | (595 029) | (3 077 924) | (127 933) | (1 143 405) | - | (4 944 291) |
| Charged for the period | - | (353 626) | (1 702 936) | (4 165) | (202 399) | - | (2 263 126) |
| Internal transfers | - | - | - | - | - | - | - |
| Disposals | - | - | 36 054 | - | 6 363 | - | 42 417 |
| As at 30 September 2022 | - | (948 655) | (4 744 806) | (132 098) | (1 339 441) | - | (7 165 000) |
| Net book value at 30 September 2022 | 2 058 091 | 4 792 624 | 22 364 583 | 15 710 | 1 100 153 | 1 819 208 | 32 150 369 |

13. INVENTORY

| | | (KZT'000) |
|---|-------------------|-------------------|
| | 30.09.2022 | 31.12.2021 |
| Finished goods | 9 032 070 | 7 050 612 |
| Raw materials | 18 218 053 | 7 206 184 |
| Packing materials | 5 225 626 | 3 129 189 |
| Other | 1 258 217 | 757 196 |
| Spare parts | 954 793 | 918 299 |
| Less provision of impairment of inventory | (68 345) | (79 580) |
| | 34 620 414 | 18 981 900 |

14. TRADE ACCOUNTS RECEIVABLE

| | | (KZT'000) |
|---|-------------------|-------------------|
| | 30.09.2022 | 31.12.2021 |
| Trade accounts receivable | 4 270 074 | 2 358 857 |
| Less provision for expected credit losses | (14 599) | (14 638) |
| | 4 255 475 | 2 344 219 |

As at 30 September 2022 account receivable were denominated in the following currencies:

| | 30.09.2022 | 31.12.2021 |
|----------------|-------------------|-------------------|
| Tenge | 3 325 030 | 1 802 314 |
| Russian Rubles | 601 679 | 284 306 |
| Kyrgyz Som | 321 795 | 154 641 |
| US Dollar | 6 748 | 102 958 |
| Euro | 223 | - |
| | 4 255 475 | 2 344 219 |

15. ADVANCES PAID

| | | (KZT'000) |
|---|-------------------|-------------------|
| | 30.09.2022 | 31.12.2021 |
| Non-current: | | |
| Advances paid | 2 568 936 | 1 617 518 |
| Advances paid for property, plant and equipment | - | 425 000 |
| Other | 69 004 | 391 695 |
| | 2 637 940 | 2 434 213 |
| Current: | | |
| Advances paid for services and inventory | 8 199 325 | 3 704 938 |
| Less provision for doubtful debts | (192 395) | (200 347) |
| | 8 006 930 | 3 504 591 |

16. OTHER CURRENT ASSETS

| | (KZT'000) | |
|--|-------------------|-------------------|
| | 30.09.2022 | 31.12.2021 |
| Other receivables from related parties | 11 034 | 12 695 |
| Receivables from employees | 154 387 | 161 039 |
| Other taxes receivable | 1 201 469 | 973 204 |
| Other receivables | 279 421 | 227 765 |
| Prepaid expenses | 288 719 | 132 142 |
| Less provision for doubtful debts | (13 856) | (13 856) |
| | 1 921 174 | 1 492 989 |

17. CASH AND CASH EQUIVALENTS

| | (KZT'000) | |
|---|-------------------|-------------------|
| | 30.09.2022 | 31.12.2021 |
| Cash on bank accounts in foreign currency | 3 316 958 | 1 929 971 |
| Reverse Repurchase agreements | 2 650 569 | 2 804 119 |
| Cash on bank accounts in tenge | 1 966 783 | 1 232 798 |
| Cash in transit | 150 640 | 49 596 |
| Cash on broker's account | 70 747 | 70 737 |
| Cash on hand | 24 374 | 5 256 |
| | 8 180 071 | 6 092 477 |

As at 30 September 2022 and 31 December 2021 cash and cash receivables were denominated in the following currencies:

| | 30.09.2022 | 31.12.2021 |
|----------------|-------------------|-------------------|
| Tenge | 4 846 802 | 4 174 808 |
| US Dollar | 3 054 764 | 1 560 445 |
| Kyrgyz Som | 168 145 | 80 479 |
| Russian Rubles | 76 617 | 275 799 |
| Euro | 8 705 | 942 |
| Uzbek Sum | 25 034 | - |
| Other | 4 | 4 |
| | 8 180 071 | 6 092 477 |

18. BORROWINGS

| | | (KZT'000) |
|--|--------------------------|--------------------------|
| | 30.09.2022 | 31.12.2021 |
| Borrowings: | | |
| Long-term loans | 37 713 410 | 31 596 781 |
| Short-term bank loans and current portion of long-term loans | 14 076 689 | 8 593 667 |
| | <u>51 790 099</u> | <u>40 190 448</u> |
| Interest payable | 523 350 | 507 976 |
| | <u>52 313 449</u> | <u>40 698 424</u> |

As at 30 September 2022 and 31 December 2021 borrowings shall be repaid as follows:

| | 30.09.2022 | 31.12.2021 |
|---------------------------------------|--------------------------|--------------------------|
| On demand or within a year | 14 600 039 | 9 101 643 |
| In the second to fifth year inclusive | 37 713 410 | 31 596 781 |
| | <u>52 313 449</u> | <u>40 698 424</u> |

As at 30 September 2022 loans were denominated in the following currencies:

| | 30.09.2022 | 31.12.2021 |
|----------------|--------------------------|--------------------------|
| Tenge | 41 515 473 | 29 093 260 |
| Russian Rubles | 10 797 976 | 11 605 164 |
| | <u>52 313 449</u> | <u>40 698 424</u> |

19. ACCOUNTS PAYABLE

As at 30 September 2022 accounts payable were as follows:

| | | (KZT'000) |
|-------------------------------|--------------------------|--------------------------|
| | 30.09.2022 | 31.12.2021 |
| Raw materials | 5 702 810 | 5 805 826 |
| Packing materials | 3 697 928 | 3 764 728 |
| Services | 5 216 837 | 5 311 075 |
| Property, plant and equipment | 625 315 | 636 610 |
| Goods | 2 535 496 | 2 581 298 |
| | <u>17 778 386</u> | <u>18 099 537</u> |
| Less long-term trade payable | (1 043 051) | (936 048) |
| | <u>16 735 335</u> | <u>17 163 489</u> |

As at 30 September 2022 accounts payable were denominated in the following currencies:

| | (KZT'000) | |
|---------------|--------------------------|--------------------------|
| | 30.09.2022 | 31.12.2021 |
| US Dollar | 8 179 134 | 4 521 653 |
| Tenge | 7 209 530 | 11 220 034 |
| Euro | 1 582 835 | 1 193 893 |
| Kyrgyz Som | 339 930 | 305 888 |
| Russian Ruble | 294 016 | 473 524 |
| Chinese Yuan | 172 816 | 278 584 |
| Uzbek Sum | 125 | 105 961 |
| | <u>17 778 386</u> | <u>18 099 537</u> |

20. TAXES PAYABLE

| | (KZT'000) | |
|---------------------|-------------------------|-------------------------|
| | 30.09.2022 | 31.12.2021 |
| Value added tax | 3 037 264 | 1 522 910 |
| Personal income tax | 59 210 | 68 089 |
| Other taxes | 7 166 | 66 260 |
| Social tax | 37 126 | 32 060 |
| | <u>3 140 766</u> | <u>1 689 319</u> |

21. OTHER ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | (KZT'000) | |
|-------------------------------------|-------------------------|-----------------------|
| | 30.09.2022 | 31.12.2021 |
| Employment expenses accrued | 553 659 | 348 412 |
| Employee leaves and bonuses accrued | 534 077 | 398 514 |
| Advances received | 121 075 | 47 700 |
| Other accrued liabilities | 113 991 | 84 586 |
| | <u>1 322 802</u> | <u>879 212</u> |

22. OPERATING SEGMENTS

In view of the management's assessment of the business on a single geographic base, i.e. Kazakhstan where 76.82 % 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 under the home brands of the Group including juices (Gracio, Da-Da, Nectar Solnechnyi), juice-containing drinks (DaDa), bottled water (ASU), and energy drink (Yeti);
- b. Production, distribution and sale of other products under the home brands of the Group including Piala Tea and Moye milk;
- c. Production, distribution and sale of franchised products including carbonated alcohol-free beverages (Pepsi, Pepsi Light, Mirinda, Seven-Up and Lipton Ice Tea);
- d. Trade transactions including sale and distribution of imported goods of other manufacturers.

(KZT'000)

| | Juices and beverages | Packed tea, packed milk and food products | Wholesale activity | Consolidated |
|--|----------------------|--|-----------------------|--------------|
| Period ended 30 September 2022 | | | | |
| Revenue | 91 479 250 | 20 532 330 | 211 525 | 112 223 105 |
| Operating profit (loss) before tax | 9 546 470 | 2 142 686 | 22 074 | 11 711 230 |
| Income tax expense | (1 625 558) | (364 853) | (3 759) | (1 994 170) |
| Net profit/(loss) | 7 920 912 | 1 777 833 | 18 315 | 9 717 060 |
| Depreciation and amortisation | 1 844 799 | 414 061 | 4 266 | 2 263 126 |
| Acquisition of property, plant and equipment and intangible assets | 5 024 683 | 1 858 444 | - | 6 883 127 |

| | Juices and beverages | Packed tea, packed milk and food products | Wholesale activity | Consolidated |
|--|----------------------|---|-----------------------|--------------|
| Period ended 30 September 2022. | | | | |
| Segment assets | 82 137 327 | 18 435 555 | 189 925 | 100 762 807 |
| Deferred income tax assets | - | - | - | - |
| Total assets | 82 137 327 | 18 435 555 | 189 925 | 100 762 807 |
| Segment liabilities | 63 146 738 | 14 173 156 | 146 014 | 77 465 908 |
| Deferred income tax liabilities | 3 855 394 | 865 335 | 8 915 | 4 729 644 |
| Total liabilities | 67 002 132 | 15 038 492 | 154 928 | 82 195 552 |

The Group's revenue from sales to third-party buyers by countries was as follows:

(KZT'000)

| | 9 months 2022 | 9 months 2021 |
|------------------------|--------------------|-------------------|
| Republic of Kazakhstan | 86 209 787 | 59 023 816 |
| Kyrgyz Republic | 19 342 233 | 11 558 874 |
| Russian Federation | 4 335 280 | 2 201 774 |
| Uzbekistan | 2 274 934 | - |
| China | 28 850 | - |
| Tajikistan | 32 021 | 28 463 |
| | 112 223 105 | 72 812 927 |

23. RETIREMENT BENEFITS

In accordance with the requirements of the laws of the Republic of Kazakhstan, 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 300,000 a month since 1 January 2022, previously monthly contributions per employee amounted to KZT 212,500. 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 September 2022 the Group had no liabilities to its current or former employees on additional pension contributions, postretirement medical benefits, insurance payments or other retirement benefits.

24. RELATED PARTIES

Related parties of the Group are companies controlled and related to the Company shareholders – Mr. K.K. Mazhibayev and Mr. Ye.Zh. Koshkinbayev.

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

Trading transactions – as at 30 September 2022 and 31 December 2021

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;
- loans and borrowings.

| | Sales | | (KZT'000) Purchases | |
|---|--|-------------------|--|-------------------|
| | 9 months 2022 | 9 months 2021 | 9 months 2022 | 9 months 2021 |
| RESMI Direct Investments | | | | |
| LLP | 439 | 15 327 | - | 387 |
| Companies under common control | - | - | 10 913 | 12 650 |
| | Amounts owed by related parties | | Amounts owed to related parties | |
| | 30.09.2022 | 31.12.2021 | 30.09.2022 | 31.12.2021 |
| Jointly controlled companies: | 81 781 | 82 432 | - | - |
| <i>Money on broker's account</i> | 70 747 | 70 737 | | |
| <i>Interest-free financial aid</i> | - | - | | |
| <i>Trade and other operations payable</i> | 11 034 | 12 695 | - | - |

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.

25. EVENTS AFTER THE REPORTING DATE

The Group has no significant events or transactions after the reporting date to be disclosed or to be corrected in these consolidated financial statements.

Chief Financial Officer

Askat Agybaev

Chief Accountant

Natalya Ivanova



(Handwritten signature)