

DP Global Group Limited

**Unaudited interim condensed
consolidated financial statements**

For the three months ended

31 March 2024

Contents

Interim condensed consolidated statement of financial position	3
Interim condensed consolidated statement of profit or loss and other comprehensive income	4
Interim condensed consolidated statement of changes in equity	5
Interim condensed consolidated statement of cash flows	6

Notes to the interim condensed consolidated financial statements

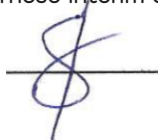
1. Corporate information	7
2. Basis of preparation and changes to the Group's accounting policies	7
3. Segment information	9
4. Revenue from contracts with customers	11
5. Other income and expenses	13
6. Income tax	14
7. Property, plant and equipment	16
8. Right-of-use assets and lease liabilities	16
9. Intangible assets	17
10. Inventories	18
11. Cash and cash equivalent	18
12. Financial assets and financial liabilities	18
13. Trade and other receivables	19
14. Trade and other payables	19
15. Taxes payables	19
16. Contract liabilities	20
17. Share capital and reserves	20
18. Earnings per share (EPS)	21
19. Share-based payments	21
20. Related parties	23
21. Commitments and contingencies	23
22. Events after reporting date	23

Interim condensed consolidated statement of financial position

(expressed in thousands of Russian Roubles, unless otherwise stated)

		31 March 2024	31 December 2023
	Notes	Unaudited	
Assets			
Non-current assets			
Property, plant and equipment	7	871,489	705,154
Right-of-use assets	8	1,227,758	1,221,854
Intangible assets	9	45,238	31,655
Net investment in sublease		12,662	13,122
Non-current financial assets	12.1	88,853	37,831
Deferred tax assets	6	186,998	161,937
Non-current prepayments		478	366
		2,433,476	2,171,919
Current assets			
Inventories	10	47,283	80,109
Prepayments		257,691	268,349
Income tax receivables		6,499	830
Taxes receivables		13,706	11,862
Trade and other receivables	13	926,552	1,007,223
Other current financial assets	12.1	141,156	137,065
Cash and cash equivalents	11	1,381,251	1,199,932
		2,774,138	2,705,370
Total assets		5,207,614	4,877,289
Equity and liabilities			
Equity			
Share capital	17	21.09	20.92
Share premium	17	925,566	894,085
Treasury shares	17	(124,302)	(124,302)
Share-based payments reserve	19	495,623	467,121
Foreign currency translation reserve		216,822	214,121
Retained earnings / (Accumulated losses)		306,091	242,744
Equity attributable to equity holders of the parent		1,819,821	1,693,790
Non-current liabilities			
Lease liabilities	8	1,072,099	1,066,202
Contract liabilities	16	617,336	579,989
		1,689,435	1,646,191
Current liabilities			
Lease liabilities	8	295,712	280,768
Trade and other payables	14	764,578	651,342
Taxes payables	15	415,512	410,087
Advances received		70,651	46,796
Contract liabilities	16	151,905	148,315
		1,698,358	1,537,308
Total liabilities		3,387,793	3,183,499
Total equity and liabilities		5,207,614	4,877,289

These interim condensed consolidated financial statements were authorized for issue on 11 June 2024.



(Fedor Ovchinnikov, Director)

Interim condensed consolidated statement of profit or loss and other comprehensive income (unaudited)

(expressed in thousands of Russian Roubles, unless otherwise stated)

	Notes	Three months ended 31 March	
		2024	2023
Revenue recognised from contracts with customers	4	2,937,908	2,159,793
Other operating income	5.3	20,673	37,782
Total operating income		2,958,581	2,197,575
Raw materials and consumables		(414,475)	(311,662)
Employee benefits	5.1	(1,334,393)	(846,765)
Depreciation and amortization	7, 8, 9	(130,709)	(90,924)
Distribution and advertising	5.2	(525,218)	(362,239)
Expected credit losses on financial assets		(3,960)	(949)
Other operating expenses	5.4	(467,059)	(296,775)
Operating profit		82,767	288,261
Finance income	5.5	57,911	24,943
Finance costs	5.6	(37,110)	(30,111)
Profit before tax		103,568	283,093
Income tax expense	6	(45,112)	(55,840)
Profit for the period		58,456	227,253
<i>Other comprehensive income / (loss) that may be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Exchange differences on translation of foreign operations		(8,552)	32,267
Net other comprehensive income / (loss) that may be reclassified to profit or loss in subsequent periods		(8,552)	32,267
<i>Other comprehensive income / (loss) that will not be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Exchange differences on translation of foreign operations		11,253	(12,293)
Net other comprehensive income / (loss) that will not be reclassified to profit or loss in subsequent periods		11,253	(12,293)
Other comprehensive income (net of tax)		2,701	19,974
Total comprehensive income for the period, net of tax		61,157	247,227
Profit attributable to:			
Equity holders of the parent		58,456	227,253
		58,456	227,253
Total comprehensive income attributable to:			
Equity holders of the parent		61,157	247,227
		61,157	247,227
Earnings per share			
Basic, profit for the period attributable to equity holders of the parent	18	₽12	₽46
Diluted earnings per share	18	₽11	₽44

**Interim condensed consolidated statement of changes in equity
for the three months ended 31 March 2024**

(expressed in thousands of Russian Roubles, unless otherwise stated)

	Share capital (Note 17)	Share premium (Note 17)	Treasury shares (Note 17)	Share-based payments reserve (Note 19)	Retained earnings / (Accumulated losses)	Foreign currency translation reserve	Total
As at 1 January 2024	20.92	894,085	(124,302)	467,121	242,744	214,121	1,693,790
Profit for the period	-	-	-	-	58,456	-	58,456
Other comprehensive income	-	-	-	-	-	2,701	2,701
Total comprehensive income	-	-	-	-	58,456	2,701	61,157
Exercise of options	0.17	31,481	-	(31,481)	-	-	-
Share-based payments reserve	-	-	-	59,983	4,891	-	64,874
As at 31 March 2024 (unaudited)	21.09	925,566	(124,302)	495,623	306,091	216,822	1,819,821

for the three months ended 31 March 2023

(expressed in thousands of Russian Roubles, unless otherwise stated)

	Share capital (Note 17)	Share premium (Note 17)	Treasury shares (Note 17)	Share-based payments reserve (Note 19)	Accumulated losses	Foreign currency translation reserve	Total
As at 1 January 2023	20.40	850,394	(35,516)	369,709	(459,347)	204,504	929,764
Profit for the period	-	-	-	-	227,253	-	227,253
Other comprehensive income	-	-	-	-	-	19,974	19,974
Total comprehensive income	-	-	-	-	227,253	19,974	247,227
Exercise of options	-	-	-	-	-	-	-
Share-based payments reserve	-	-	-	32,870	1,930	-	34,800
As at 31 March 2023 (unaudited)	20.40	850,394	(35,516)	402,579	(230,164)	224,478	1,211,791

Interim condensed consolidated statement of cash flows (unaudited)

(expressed in thousands of Russian Roubles, unless otherwise stated)

	Notes	Three months ended 31 March	
		2024	2023
Operating activities			
Profit before tax		103,568	283,093
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation	7, 8, 9	130,709	90,924
Share-based payments expense	19	64,874	34,800
Net impairment/recovery of non-current assets		2,439	(223)
Inventory shortage		27,425	19,990
Finance income	5.5	(57,911)	(24,943)
Finance costs	5.6	37,110	30,111
Expected credit losses on financial assets other than cash		3,960	949
Income from government grants		-	(740)
Other non-cash		1,052	5,102
Working capital adjustments:			
Change in trade and other receivables		76,711	(83,328)
Change in prepayments and taxes receivables		4,052	(30,178)
Change in inventories		5,401	(15,362)
Change in trade and other payables		113,472	12,529
Change in advances received and taxes payables		40,640	66,397
Change in contract liabilities		46,695	(671)
		600,197	388,450
Interest received		34,705	11,274
Income tax paid		(87,454)	(42,066)
Net cash flows from operating activities		547,448	357,658
Investing activities			
Proceeds from sale of property, plant and equipment		230	-
Purchase of property, plant and equipment		(212,453)	(87,173)
Purchase of intangible assets	9	(16,603)	(1,632)
Loans granted		(51,500)	-
Proceeds from sublease		873	485
Net cash flows used in investing activities		(279,453)	(88,320)
Financing activities			
Payment of principal portion of the lease liabilities		(60,829)	(52,954)
Interest paid		(37,110)	(29,689)
Repayment of borrowings		-	(16,148)
Net cash flows used in financing activities		(97,939)	(98,791)
Net increase in cash and cash equivalents		170,056	170,547
Net foreign exchange difference		11,263	16,057
Cash and cash equivalents at 1 January	11	1,199,932	869,703
Cash and cash equivalents at 31 March	11	1,381,251	1,056,307

Notes to the interim condensed consolidated financial statements for the three months ended 31 March 2024

(expressed in thousands of Russian Roubles, unless otherwise stated)

1. Corporate information

The interim condensed consolidated financial statements of DP Global Group Limited and its subsidiaries (collectively, the Group) for the three months ended 31 March 2024 were authorised for issue on 11 June 2024. DP Global Group Limited (the Company or the Parent) is a limited company incorporated in the British Virgin Islands. The ultimate controlling shareholder of the Group is Fedor Ovchinnikov.

The Group owns retail stores and provides franchising services, including software, support, control and consultancy services to the franchisees operating in 21 countries. As at 31 March 2024, the Group operated 1079 stores (1022 franchised stores, 57 company-owned stores), as at 31 December 2023: 1027 stores (973 franchised stores, 54 company-owned stores).

Information about main subsidiaries

The interim condensed consolidated financial statements of the Group include:

Name	Principal activities	Country of incorporation	% equity interest	
			31 March 2024	31 December 2023
Dodo Franchising LLC	Franchising services	The Russian Federation	100	100
Pizza Venture LLC	Restaurants and food delivery services/ Retail	The Russian Federation	100	100
Dodo CC Syktyvkar LLC	Call centres	The Russian Federation	100	100
Dodo Engineering LLC	IT development	The Russian Federation	100	100
Drinkit Company LLC	Restaurants and food delivery services/ Retail	The Russian Federation	100	100
DODO BRANDS INTERNATIONAL DMCC	Franchising services	The United Arab Emirates	100	100
Dodo Group LLP	Franchising services	The Republic of Kazakhstan	100	100

2. Basis of preparation and changes to the Group's accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial statements of the Group for the three months ended 31 March 2024 have been prepared in accordance with *IAS 34 Interim Financial Reporting*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023.

2. Basis of preparation and changes to the Group's accounting policies *(continued)*

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for as described in the accounting policies below. The interim condensed consolidated financial statements are presented in Russian Roubles and all values are rounded to the nearest thousands, except when otherwise indicated.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed consolidated financial statements of the Group.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group's interim condensed consolidated financial statements.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's interim condensed consolidated financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's interim condensed consolidated financial statements.

3. Segment information

For management purposes, the Group is organised into business units based on its products and services and has three reportable segments, as follows:

- The *franchising* segment, which includes all the services related to franchising of *Dodo Pizza* brand. Such services comprise of brand licensing, software development, support and control, menu and know-how, training and education, consulting services, call-centre services, dough production, brand advertising and national marketing campaign;
- The *corporate-owned stores* under the *Dodo Pizza* brand located in Russia;
- The segment of *venture projects* represented by the Dodo Pizza international operated markets (the United Arab Emirates) and foodservice brands: *Drinkit* and *Kebster (inc. Doner 42)*.

The Group's Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on its adjusted earnings before interest, taxes, depreciation, amortisation (EBITDA). The Group's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments. The Group's management does not monitor balances on a segment basis, thus the assets and liabilities of segments are not available.

Adjustments and eliminations

- Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.
- Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column.
- Finance costs and finance income (Note 5) are not allocated to individual segments as the underlying instruments are managed on a group basis.
- Current taxes, deferred taxes (Note 6) and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.
- Management accounts do not include expenses from share-based payments (Note 19) as these expenses are also managed on a group basis.
- In management accounts revenue from franchise fee and marketing services is recognised at the moment of cash payment from a franchisee, so this approach differs from the one required by IFRS 15 (Note 4).
- In the interim condensed consolidated financial statements rent of premises accounts in accordance with IFRS 16 with the recognition of depreciation and interest expenses in the consolidated profit and losses. Segments EBITDA accounts for rent expense by monthly installments payable to the lessors.
- In management accounting all the expenditures that arose before the store opening are considered as CAPEX. In IFRS accounting such expenditures are splitted between CAPEX and costs according to their nature.

3. Segment information *(continued)*

The tables below illustrate financial information of the reportable segments reviewed by management for the three months ended 31 March 2024 and 2023:

For the three months ended 31 March 2024	Franchising	Corporate- owned stores (Russia)	Venture projects	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	2,146,787	910,344	130,160	3,187,291	(249,383)	2,937,908
Inter-segment	99,997	-	-	99,997	(99,997)	-
Total revenue	2,246,784	910,344	130,160	3,287,288	(349,380)	2,937,908
Raw materials and consumables	(37,252)	(317,944)	(48,993)	(404,189)	(10,286)	(414,475)
Employee benefits	(715,073)	(283,875)	(248,343)	(1,247,291)	(87,102)	(1,334,393)
Distribution and advertising	(488,965)	(31,302)	(2,536)	(522,803)	(2,415)	(525,218)
Rent and utilities	(34,439)	(97,542)	(30,193)	(162,174)	89,458	(72,716)
Other operating income and expenses	(320,770)	(99,108)	(73,047)	(492,925)	119,255	(373,670)
EBITDA	650,285	80,573	(272,952)	457,906	(240,470)	217,436
Finance income						57,911
Finance costs						(37,110)
Depreciation and amortization						(130,709)
Expected credit losses on financial assets						(3,960)
Profit before tax						103,568

For the three months ended 31 March 2023	Franchising	Corporate- owned stores (Russia)	Venture projects	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	1,497,856	669,333	58,142	2,225,331	(65,538)	2,159,793
Inter-segment	84,510	-	-	84,510	(84,510)	-
Total revenue	1,582,366	669,333	58,142	2,309,841	(150,048)	2,159,793
Raw materials and consumables	(43,853)	(237,743)	(22,363)	(303,959)	(7,703)	(311,662)
Employee benefits	(532,262)	(208,062)	(103,504)	(843,828)	(2,937)	(846,765)
Distribution and advertising	(389,543)	(24,441)	(3,339)	(417,323)	55,084	(362,239)
Rent and utilities	(29,648)	(76,070)	(16,700)	(122,418)	74,614	(47,804)
Other operating income and expenses	(189,588)	(75,587)	(25,176)	(290,351)	79,162	(211,189)
EBITDA	397,472	47,430	(112,940)	331,962	48,172	380,134
Finance income						24,943
Finance costs						(30,111)
Depreciation and amortization						(90,924)
Expected credit losses on financial assets						(949)
Profit before tax						283,093

4. Revenue from contracts with customers

4.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

For the three months ended 31 March 2024

Segments	Franchising	Corporate- owned stores (Russia)	Venture projects	Total
Type of goods or service				
Franchise fee	15,925	-	-	15,925
Marketing fee	450,235	-	-	450,235
Royalties	1,150,206	-	-	1,150,206
Retail sales	-	912,731	101,829	1,014,560
Call-centre services	145,548	-	-	145,548
Other sales	161,434	-	-	161,434
Total revenue from contracts with customers	1,923,348	912,731	101,829	2,937,908
Timing of revenue recognition				
Goods and services transferred at a point in time	1,907,423	912,731	101,829	2,921,983
Services transferred over time	15,925	-	-	15,925
Total revenue from contracts with customers	1,923,348	912,731	101,829	2,937,908

For the three months ended 31 March 2023

Segments	Franchising	Corporate- owned stores (Russia)	Venture projects	Total
Type of goods or service				
Franchise fee	7,056	-	-	7,056
Marketing fee	334,965	-	-	334,965
Royalties	821,449	-	-	821,449
Retail sales	-	700,947	51,244	752,191
Call-centre services	120,049	-	-	120,049
Other sales	124,083	-	-	124,083
Total revenue from contracts with customers	1,407,602	700,947	51,244	2,159,793
Timing of revenue recognition				
Goods and services transferred at a point in time	1,400,546	700,947	51,244	2,152,737
Services transferred over time	7,056	-	-	7,056
Total revenue from contracts with customers	1,407,602	700,947	51,244	2,159,793

4. Revenue from contracts with customers *(continued)*

4.1 Disaggregated revenue information *(continued)*

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (Note 3):

For the three months ended 31 March 2024

	Franchising	Corporate- owned stores (Russia)	Venture projects
Revenue			
External customer	2,146,787	910,344	130,160
Inter-segment	99,997	-	-
	2,246,784	910,344	130,160
Inter-segment and other adjustments and eliminations	(323,436)	2,387	(28,331)
Total revenue from contracts with customers	1,923,348	912,731	101,829

For the three months ended 31 March 2023

	Franchising	Corporate- owned stores (Russia)	Venture projects
Revenue			
External customer	1,497,856	669,333	58,142
Inter-segment	84,510	-	-
	1,582,366	669,333	58,142
Inter-segment and other adjustments and eliminations	(174,764)	31,614	(6,898)
Total revenue from contracts with customers	1,407,602	700,947	51,244

4.2 Contract balances

	31 March 2024	31 December 2023
Trade receivables (Note 13)	823,557	908,413
Contract liabilities (Note 16)	769,241	728,304

The Group recognised impairment losses on receivables amounting to RUB 16,572 thousand and RUB 9,521 thousand for the three months ended 31 March 2024 and 2023, respectively.

4.3 Performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2024 and 31 December 2023 are, as follows:

	31 March 2024	31 December 2023
Within one year	151,905	148,315
More than one year	617,336	579,989

4. Revenue from contracts with customers *(continued)*

The remaining performance obligations expected to be recognised in more than one year relate to the services provided under franchise fee. The customer loyalty points have an expiration period equal to one year and redemptions cannot go beyond this period, therefore customer loyalty points performance obligation is fully presented as a current contract liability (Note 16).

5. Other income and expenses

5.1. Employee benefits

	For the three months ended 31 March	
	2024	2023
Wages and salaries	1,061,887	694,992
Social security costs	145,964	100,050
Share-based payment expense	64,874	34,800
Other expenses	61,668	16,923
Total employee benefits	1,334,393	846,765

5.2. Distribution and advertising

	For the three months ended 31 March	
	2024	2023
National marketing campaign	480,811	349,588
Local marketing of corporate-owned stores	5,013	4,954
Other distribution and advertising	39,394	7,697
Total distribution and advertising	525,218	362,239

5.3. Other operating income

	For the three months ended 31 March	
	2024	2023
Income from operating sublease	15,801	25,748
Income on derecognition of ROU assets and lease liabilities	2,174	6,215
Other income	2,698	5,819
Total other operating income	20,673	37,782

5. Other income and expenses *(continued)*

5.4. Other operating expenses

	For the three months ended 31 March	
	2024	2023
Professional services	80,772	42,585
Hosting and infrastructure	79,615	46,412
Utilities and maintenance of premises and offices	72,716	47,804
Program software and licenses	57,082	34,721
Business trips	32,785	13,335
Internet and phone services	32,122	26,440
Maintenance of production equipment	27,230	19,558
Non-deductible taxes	21,451	21,467
Recruiting costs	16,842	7,252
Bank charges	16,656	13,514
Transportation costs	13,779	12,970
Other expenses	16,009	10,717
Total other operating expenses	467,059	296,775

5.5. Finance income

	For the three months ended 31 March	
	2024	2023
Interest income from loans and deposits	37,785	12,840
Net exchange difference	19,385	11,611
Interest income on lease deposits	433	373
Finance income on finance sublease	308	119
Total finance income	57,911	24,943

5.6. Finance costs

	For the three months ended 31 March	
	2024	2023
Interest expense on lease liabilities	37,110	28,141
Interest expense on borrowings	-	1,970
Total finance costs	37,110	30,111

6. Income tax

DP Global Group Limited is a resident of the British Virgin Islands. The Group's key subsidiaries are residents of the Russian Federation and are taxed at a rate of 20%. Income from other jurisdictions is insignificant. Reconciliation of tax expense and the accounting profit multiplied by tax rate applicable in the Russian Federation for the three months ended 31 March 2024 and 2023 is as follows:

6. Income tax (continued)

	For the three months ended 31 March	
	2024	2023
Income before tax	103,568	283,093
Theoretical income tax expense at 20% tax rate	(20,714)	(56,619)
Adjustments for:		
Tax effect of income and expenses that are not deductible in determining taxable profit	(25,407)	(8,440)
Effect of different tax rates applicable to the Parent and Group's subsidiaries	1,009	9,219
Income tax expense reported in the statement of profit or loss and other comprehensive income	(45,112)	(55,840)

Non-deductible expenses are presented mainly by share-based payments and other expenses not included in the calculation of income tax in accordance with the tax law.

The major components of income tax expense for the three months ended 31 March 2024 and 2023 are:

	For the three months ended 31 March	
	2024	2023
Current income tax:		
Current income tax charge	(70,173)	(56,600)
Deferred tax:		
Relating to origination and reversal of temporary differences	25,061	760
Income tax expense reported in the statement of profit or loss and other comprehensive income	(45,112)	(55,840)

Deferred tax relates to the following:

	Consolidated statement of financial position		Consolidated statement of profit or loss	
	31 March 2024	31 December 2023	For the three months ended 31 March	
			2024	2023
Property, plant and equipment	52,460	41,346	11,114	399
Right-of-use assets	(298,656)	(285,622)	(13,034)	(1,515)
Intangible assets	8,454	1,246	7,208	(1,059)
Finance sublease receivables	(2,532)	(2,624)	92	73
Trade and other receivables	(6,861)	(6,623)	(238)	(5,199)
Prepayments	(7,572)	(6,452)	(1,120)	1,423
Other financial assets	3,676	2,610	1,066	(240)
Lease liabilities	237,856	230,230	7,626	(431)
Trade and other payables	52,601	49,230	3,371	7,804
Advances received	(3,706)	(13,362)	9,656	3,391
Contract liabilities	106,440	113,354	(6,914)	(2,912)
Tax losses carry forward	44,838	38,604	6,234	(974)
Deferred tax benefit			25,061	760
Net deferred tax assets	186,998	161,937		

6. Income tax (continued)

Reconciliation of deferred tax assets, net	2024	2023
As at 1 January	161,937	126,072
Change in deferred tax recognised in profit or loss during the period	25,061	760
As at 31 March	186,998	126,832

7. Property, plant and equipment

	Leasehold improvements	Retail and dough production equipment and furniture	Office equipment and furniture	Transport and vehicles	Construction in progress	Total
Cost						
As at 1 January 2024	425,418	400,330	163,762	4,037	121,029	1,114,576
Additions	24,487	31,358	18,831	-	137,612	212,288
Disposals	(3,842)	(4,055)	(1,424)	(58)	-	(9,379)
Transfer	1,576	9,416	-	-	(10,992)	-
Translation differences	1,523	573	753	-	2,269	5,118
As at 31 March 2024	449,162	437,622	181,922	3,979	249,918	1,322,603
Depreciation and impairment						
As at 1 January 2024	(138,023)	(181,315)	(88,803)	(1,281)	-	(409,422)
Depreciation charge	(19,170)	(19,616)	(9,120)	(164)	-	(48,070)
Disposals	1,892	3,315	1,500	58	-	6,765
Translation differences	(225)	(52)	(110)	-	-	(387)
As at 31 March 2024	(155,526)	(197,668)	(96,533)	(1,387)	-	(451,114)
Net book value						
As at 31 March 2024	293,636	239,954	85,389	2,592	249,918	871,489
As at 31 December 2023	287,395	219,015	74,959	2,756	121,029	705,154

8. Right-of-use assets and lease liabilities

Set out below, are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the period:

	Right-of-use assets			Lease liabilities
	Premises and offices	Equipment	Total	Total
As at 1 January 2024	1,130,302	91,552	1,221,854	(1,346,970)
Additions	103,415	-	103,415	(103,415)
Depreciation expense of right-of-use assets	(74,556)	(6,396)	(80,952)	-
Change as a result of modification and revaluation	(6,482)	-	(6,482)	9,198
Derecognition of lease contracts	(13,287)	-	(13,287)	15,461
Translation differences	3,210	-	3,210	(3,661)
Interest expense on lease liabilities	-	-	-	(37,110)
Income from temporary rent discounts	-	-	-	747
Total cash flows	-	-	-	97,939
As at 31 March 2024	1,142,602	85,156	1,227,758	(1,367,811)

8. Right-of-use assets and lease liabilities (*continued*)

The Group has lease contracts for premises (stores, offices, dough production centres and other premises) and equipment for dough production centres. As of 31 March 2024 the Group had arrangements (subject to IFRS 16) for 58 corporate-owned stores (31 December 2023: 57), 3 dough production centers (31 December 2023: 3), 6 management offices (31 December 2023: 6) and 5 warehouses (31 December 2023: 4).

The following are the amounts recognised in profit or loss:

	For the three months ended 31 March	
	2024	2023
Depreciation expense of right-of-use assets	(80,952)	(67,270)
Interest expense on lease liabilities	(37,110)	(28,141)
Expense relating to short-term leases	(27,256)	(8,023)
Income on derecognition of ROU assets and lease liabilities	2,174	6,215
Income from subleasing right-of-use assets	308	119
Rent concessions	747	-
Total expense recognised in profit or loss	(142,089)	(97,100)

There are no current, pending or threatened material claims, disputes or liabilities in relation to the leased premises.

9. Intangible assets

	Computer software	Licences and franchises	Other intangible assets	Intangible assets under development	Total
Cost					
As at 1 January 2024	41,380	8,932	12,868	6,634	69,814
Additions	2,256	314	524	13,509	16,603
Disposals	(1,366)	-	(418)	(49)	(1,833)
Translation differences	42	-	-	-	42
As at 31 March 2024	42,312	9,246	12,974	20,094	84,626
Amortisation and impairment					
As at 1 January 2024	(35,868)	(1,243)	(1,048)	-	(38,159)
Amortisation	(455)	(432)	(800)	-	(1,687)
Disposals	455	-	10	-	465
Translation differences	(7)	-	-	-	(7)
As at 31 March 2024	(35,875)	(1,675)	(1,838)	-	(39,388)
Net book value					
As at 31 March 2024	6,437	7,571	11,136	20,094	45,238
As at 31 December 2023	5,512	7,689	11,820	6,634	31,655

Computer software mainly includes internally-generated software: global website, mobile app and merchstore. Useful life of these intangibles is up to ten years.

10. Inventories

Set out below, are the carrying amounts of the Group's inventories accounted at cost:

	31 March 2024	31 December 2023
Raw materials	38,866	68,318
Finished goods and goods for resale	6,544	7,308
Semifinished goods	1,873	4,483
Total inventories at cost	47,283	80,109

11. Cash and cash equivalents

	31 March 2024	31 December 2023
Cash at bank and on hand	1,174,318	489,006
Short-term deposits	192,253	703,122
Cash in transit	14,680	7,804
Total cash and cash equivalents	1,381,251	1,199,932

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

12. Financial assets and financial liabilities

12.1 Financial assets

	31 March 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Trade and other receivables (Note 13)	926,552	-	1,007,223	-
Net investment in sublease	-	12,662	-	13,122
Other financial assets:	141,156	88,853	137,065	37,831
Loans issued	-	56,370	-	3,624
Lease prepayments	2,600	32,483	2,525	34,207
Other financial assets	138,556	-	134,540	-
Total current and non-current financial assets	1,067,708	101,515	1,144,288	50,953
Total financial assets		1,169,223		1,195,241

12.2 Financial liabilities

	31 March 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Trade and other payables (Note 14)	764,578	-	651,342	-
Lease liabilities (Note 8)	295,712	1,072,099	280,768	1,066,202
Total current and non-current financial liabilities	1,060,290	1,072,099	932,110	1,066,202
Total financial liabilities		2,132,389		1,998,312

Carrying amount of the current financial assets and liabilities of the Group is a reasonable approximation of their fair values.

13. Trade and other receivables

	<u>31 March 2024</u>	<u>31 December 2023</u>
Trade receivables	840,129	921,026
Other receivables	102,995	98,810
	943,124	1,019,836
Allowance for expected credit losses	(16,572)	(12,613)
Total current receivables	926,552	1,007,223

Set out below is the movement in the allowance for expected credit losses of receivables:

	<u>2024</u>	<u>2023</u>
As at 1 January	12,613	8,571
Provision for expected credit losses	16,572	12,613
Recovery of provision	(12,613)	(8,571)
As at 31 March	16,572	12,613

Trade and other receivables are non-interest bearing and are generally paid on terms of 30 to 90 days. For terms and conditions relating to related party receivables, refer to Note 20.

14. Trade and other payables

	<u>31 March 2024</u>	<u>31 December 2023</u>
Payables to employees	381,475	278,348
Trade payables	356,683	345,402
Other payables	26,420	27,592
Total trade and other payables	764,578	651,342

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60-day terms;
- Payables to employees are non-interest bearing and are normally settled on 30-day terms;
- Other payables are non-interest bearing and have an average term of 2-3 months.

15. Taxes payables

	<u>31 March 2024</u>	<u>31 December 2023</u>
VAT payables	269,420	242,507
Payables for insurance contributions	95,162	120,480
Income tax payables	15,495	27,107
Payables for other taxes	35,435	19,993
Total taxes payables	415,512	410,087

16. Contract liabilities

The performance obligations expected to be recognised in more than one year relate to the services provided under franchise fee.

The customer loyalty points could be used at any time, therefore customer loyalty points performance obligation is fully presented as a current contract liability.

	31 March 2024	31 December 2023
Franchise fee contract liability	668,390	625,305
Customer loyalty points	100,851	102,999
Total contract liabilities	769,241	728,304
Current	151,905	148,315
Non-current	617,336	579,989

Contract liabilities transactions	Franchise fee contract liability		Customer loyalty points	
	2024	2023	2024	2023
As at 1 January	625,305	329,133	102,999	115,980
Deferred	51,302	26,407	26,035	47,084
Recognised as revenue	(15,553)	(7,657)	(28,183)	(72,679)
Translation difference	7,336	3,087	-	-
As at 31 March	668,390	350,970	100,851	90,385
Current	51,054	29,988	100,851	90,385
Non-current	617,336	320,982	-	-

17. Share capital and reserves

Share capital of the Group fully consists of ordinary shares with nominal value \$0.0001. All ordinary shares are fully paid.

	Number of shares		Balanced value		
	Share capital	Treasury shares	Share capital	Share premium	Treasury shares
At 1 January 2024	5,024,707	51,402	20.92	894,085	(124,302)
Exercise of share options (Note 19)	21,851	-	0.17	31,481	-
At 31 March 2024	5,046,558	51,402	21.09	925,566	(124,302)

DP Global Group Limited was incorporated in December 2013. Between 2013 and 2017 the Company went through a series of fundraising campaigns in the form of sale of newly issued shares and issuance of convertible loans to finance its development. All loans were converted to the capital before 31 December 2018. There were no capital transactions except the exercise of share options and shares buyback for the three months ended 31 March 2024.

Share option plan

The Group has the share option plan under which options to subscribe for the Group's shares have been granted to employees. Refer to Note 19 for further details. The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

17. Share capital and reserves (*continued*)

Share options can be granted under Employee Share Option Plan (ESOP) or by the ultimate controlling shareholder from his personal shares (Note 19). Exercised share options granted under ESOP are settled by the issuance of additional shares and increase of share capital. Exercise of share options granted by the ultimate controlling shareholder from his personal shares doesn't affect share capital. The increase in share premium is equal to the cost of exercised share options for the Group less nominal value of shares reflected in share capital.

18. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic EPS calculations:

	For the three months ended 31 March	
	2024	2023
Profit attributable to ordinary equity holders of the parent for basic earnings	58,456	227,253
Weighted average number of ordinary shares for basic EPS	5,039,206	4,972,757
Effect of dilution from share options granted to employees, number of shares	203,691	223,960
Weighted average number of ordinary shares adjusted for the effect of dilution	5,242,897	5,196,717
Basic earnings per share	₱12	₱46
Diluted earnings per share	₱11	₱44

19. Share-based payments

The Group has Employee Share Option Plan (ESOP) which was firstly approved in 2017 and amended in 2021. Under the ESOP the Group, at its discretion, may grant share options of the parent to employees including key management employees. The maximum potential number of shares to be issued under the Plan is 726,500 shares. The fair value of share options granted is estimated at the date of grant using a Black-Scholes model, taking into account the terms and conditions on which the share options were granted and the share price volatility of the Group.

Apart from the Employee Share Option Plan some options may also be granted by the ultimate controlling shareholder from his personal shares. These share options have the same conditions as ESOP, and also don't dilute the total amount of shares of the Group.

The exercise price of the most share options is equal to \$0.01, the exercise price of the remaining part is equal to the nominal price of shares (\$0.0001). The contractual term of the most granted options is up to five years, so employees must remain in service for this period from the date of grant to exercise full amount of granted options, but options are becoming exercisable during the period based on proportion of time passed and total amount of granted options.

There are no cash settlement alternatives for the employee and the Group does not have a past practice of cash settlement for these awards. There were no cancellations or modifications of the awards for the three months 2024 or for the whole year 2023.

19. Share-based payments (continued)

The expense recognised for employee services received during the period:

	For the three months ended 31 March	
	2024	2023
Expense arising from equity-settled share-based payment transactions	64,874	34,800
Total expense arising from share-based payment transactions	64,874	34,800

Movements during the period

The following table illustrates the number, weighted average exercise price (WAEP) and weighted average fair value (WAFV) of, and movements in, share options during the period.

	ESOP			ESOP granted by the ultimate shareholder		
	Number	WAEP \$0	WAFV \$0	Number	WAEP \$0	WAFV \$0
Outstanding at 1 January 2023	407,738	0.01	16.91	69,000	1.01	12.12
Granted during the period	33,600	0.01	27.73	-	-	-
Exercised during the period	(2,000)	0.01	22.04	-	-	-
Outstanding at 31 March 2023	439,338	0.01	17.71	69,000	1.01	12.12
Exercisable at 31 March 2023	<i>223,960</i>	<i>0.01</i>	<i>14.37</i>	<i>16,600</i>	<i>4.22</i>	<i>6.69</i>
Outstanding at 1 January 2024	394,301	0.01	19.28	85,500	0.82	14.08
Granted during the period	52,950	0.01	26.39	-	-	-
Exercised during the period	(21,851)	0.01	14.31	(3,700)	0.01	21.97
Expired during the period	(1,355)	0.01	24.36	-	-	-
Outstanding at 31 March 2024	424,045	0.01	20.41	81,800	0.86	13.72
Exercisable at 31 March 2024	<i>203,691</i>	<i>0.01</i>	<i>15.21</i>	<i>69,700</i>	<i>15.14</i>	<i>11.82</i>

The weighted average remaining contractual life for the share options outstanding as at 31 March 2024 was 0.73 years (31 March 2023: 0.72 years).

The following table lists the model's inputs used for the plans for the periods ended 31 March 2024 and 31 December 2023, respectively:

	31 March 2024	31 December 2023
Expected volatility (%)	79.90	81.97
Risk-free interest rate (%)	13.96	7.77
Weighted average share price (\$)	32.67	29.24

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

20. Related parties

Note 1 provides information about the Group's structure, including details of the main subsidiaries and the holding company.

As at 31 March 2024 amounts owed by key management personnel of the Group are RUB 61 thousand (31 December 2023: RUB 6 thousand). As at 31 March 2024 amounts owed to key management personnel of the Group are RUB 5,191 thousand (31 December 2023: RUB 3,691 thousand). There were no sales to other related parties for the three months ended 31 March 2024 (for the three months ended 31 March 2023: nil RUB).

The following table provides the total amount of loans transactions that have been entered into with related parties during the three months ended 31 March 2024 and 2023, as well as balances with related parties as at 31 March 2024 and 31 December 2023:

		Interest accrued	Amounts owed to related parties
		-----	-----
Loans from related parties			
The ultimate controlling shareholder	2024	-	-
	2023	1,346	-
		Interest accrued	Amounts owed by related parties
		-----	-----
Loans to related parties			
The ultimate controlling shareholder (Note 12)	2024	1,246	56,370
	2023	71	3,624

Compensation of key management personnel of the Group (recognised as an expense)

	For the three months ended 31 March	
	2024	2023
	-----	-----
Wages and salaries	23,216	26,974
Share-based payment transactions	46,087	2,840
Total compensation paid to key management personnel	69,303	29,814
	-----	-----

21. Commitments and contingencies

Commitments

The Group does not have any contractual commitments.

Legal claim contingency

The Group has been participating in some legal cases but has been advised by its legal counsel that there are no claims with high probability of losing. Accordingly, no possible legal risks to be disclosed and no provision for any liability has been made in these financial statements.

22. Events after reporting date

There were no significant events after the reporting date.