

DP Global Group Limited

**Unaudited interim condensed
consolidated financial statements**

For the six months ended

30 June 2024

Contents

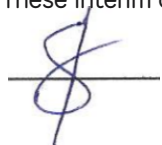
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Interim condensed consolidated statement of financial position

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

		30 June 2024	31 December 2023
	Notes	Unaudited	
Assets			
Non-current assets			
Property, plant and equipment	7	1,003,149	705,154
Right-of-use assets	8	1,182,293	1,221,854
Intangible assets	9	49,352	31,655
Net investment in sublease		12,069	13,122
Non-current financial assets	12.1	88,315	37,831
Deferred tax assets	6	233,155	161,937
Non-current prepayments		671	366
		2,569,004	2,171,919
Current assets			
Inventories	10	59,855	80,109
Prepayments		237,931	268,349
Income tax receivables		130	830
Taxes receivables		17,683	11,862
Trade and other receivables	13	935,644	1,007,223
Other current financial assets	12.1	2,487	137,065
Cash and cash equivalents	11	1,422,313	1,199,932
		2,676,043	2,705,370
Total assets		5,245,047	4,877,289
Equity and liabilities			
Equity			
Share capital	17	21.09	20.92
Share premium	17	922,075	894,085
Treasury shares	17	(185,793)	(124,302)
Share-based payments reserve	19	508,985	467,121
Foreign currency translation reserve		231,320	214,121
Retained earnings / (Accumulated losses)		348,190	242,744
Equity attributable to equity holders of the parent		1,824,798	1,693,790
Non-current liabilities			
Lease liabilities	8	1,030,265	1,066,202
Contract liabilities	16	652,254	579,989
		1,682,519	1,646,191
Current liabilities			
Lease liabilities	8	301,169	280,768
Trade and other payables	14	832,766	651,342
Taxes payables	15	426,615	410,087
Advances received		24,464	46,796
Contract liabilities	16	152,716	148,315
		1,737,730	1,537,308
Total liabilities		3,420,249	3,183,499
Total equity and liabilities		5,245,047	4,877,289

These interim condensed consolidated financial statements were authorized for issue on 6 September 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	Six months ended 30 June		Three months ended 30 June	
		2024	2023	2024	2023
Revenue recognised from contracts with customers	4	6,297,246	4,560,492	3,359,338	2,400,699
Other operating income	5.3	38,528	56,759	17,855	18,977
Total operating income		6,335,774	4,617,251	3,377,193	2,419,676
Raw materials and consumables		(848,589)	(621,212)	(434,114)	(309,550)
Employee benefits	5.1	(2,740,535)	(1,738,750)	(1,406,142)	(891,985)
Depreciation and amortization	7, 8, 9	(268,261)	(201,496)	(137,552)	(110,572)
Distribution and advertising	5.2	(1,232,847)	(869,635)	(707,629)	(507,396)
Expected credit losses on financial assets		(3,854)	(1,684)	106	(735)
Other operating expenses	5.4	(1,001,862)	(664,008)	(534,803)	(367,233)
Operating profit		239,826	520,466	157,059	232,205
Finance income	5.5	76,669	55,910	38,143	30,967
Finance costs	5.6	(132,292)	(61,351)	(114,567)	(31,240)
Profit before tax		184,203	515,025	80,635	231,932
Income tax expense	6	(96,343)	(113,404)	(51,231)	(57,564)
Profit for the period		87,860	401,621	29,404	174,368
<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		14,824	26,071	23,376	16,509
Net other comprehensive income / (loss) that may be reclassified to profit or loss in subsequent periods		14,824	26,071	23,376	16,509
<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		2,375	(20,856)	(8,878)	(31,268)
Net other comprehensive income / (loss) that will not be reclassified to profit or loss in subsequent periods		2,375	(20,856)	(8,878)	(31,268)
Other comprehensive income (net of tax)		17,199	5,215	14,498	(14,759)
Total comprehensive income for the period, net of tax		105,059	406,836	43,902	159,609
Profit attributable to:					
Equity holders of the parent		87,860	401,621	29,404	174,368
		87,860	401,621	29,404	174,368
Total comprehensive income attributable to:					
Equity holders of the parent		105,059	406,836	43,902	159,609
		105,059	406,836	43,902	159,609
Earnings per share					
Basic, profit for the period attributable to equity holders of the parent					
	18	₽17	₽81	₽6	₽35
Diluted earnings per share					
	18	₽17	₽77	₽6	₽33

Interim condensed consolidated statement of changes in equity for the six months ended 30 June 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)	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	-	-	-	-	87,860	-	87,860
Other comprehensive income	-	-	-	-	-	17,199	17,199
Total comprehensive income	-	-	-	-	87,860	17,199	105,059
Exercise of options	0.17	27,990	-	(27,990)	-	-	-
Buyback of shares	-	-	(61,491)	-	-	-	(61,491)
Share-based payments reserve	-	-	-	69,854	17,586	-	87,440
As at 30 June 2024 (unaudited)	21.09	922,075	(185,793)	508,985	348,190	231,320	1,824,798

for the six months ended 30 June 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	-	-	-	-	401,621	-	401,621
Other comprehensive income	-	-	-	-	-	5,215	5,215
Total comprehensive income	-	-	-	-	401,621	5,215	406,836
Exercise of options	0.02	5,525	-	(5,525)	-	-	-
Share-based payments reserve	-	-	(53,608)	43,399	9,927	-	(282)
As at 30 June 2023 (unaudited)	20.42	855,919	(89,124)	407,583	(47,799)	209,719	1,336,318

Interim condensed consolidated statement of cash flows (unaudited)

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

	Notes	Six months ended 30 June		Three months ended 30 June	
		2024	2023	2024	2023
Operating activities					
Profit before tax		184,203	515,025	80,635	231,932
Adjustments to reconcile profit before tax to net cash flows:					
Depreciation and amortisation	7, 8, 9	268,261	201,496	137,552	110,572
Share-based payments expense	19	109,311	64,871	44,437	30,071
Inventory shortage		52,731	39,350	25,306	19,360
Finance income	5.5	(76,669)	(55,910)	(38,143)	(30,967)
Finance costs	5.6	132,292	61,351	114,567	31,240
Other non-cash		16,065	(31,661)	8,614	(36,749)
Working capital adjustments:					
Change in trade and other receivables		67,724	(219,046)	(8,987)	(135,718)
Change in prepayments and taxes receivables		27,663	(28,002)	23,611	2,176
Change in inventories		(32,476)	(39,875)	(37,877)	(24,513)
Change in trade and other payables		158,998	95,151	45,526	82,622
Change in advances received and taxes payables		(6,834)	154,410	(47,474)	88,013
Change in contract liabilities		63,993	50,888	17,298	51,559
		965,262	808,048	365,065	419,598
Interest received		68,672	25,400	33,967	14,126
Income tax paid		(167,560)	(117,645)	(80,106)	(75,579)
Net cash flows from operating activities		866,374	715,803	318,926	358,145
Investing activities					
Proceeds from sale of property, plant and equipment		4,564	670	4,334	670
Purchase of property, plant and equipment		(414,840)	(138,658)	(202,387)	(51,485)
Purchase of intangible assets	9	(22,539)	(10,222)	(5,936)	(8,590)
Investment in other financial assets		134,540	-	134,540	-
Loans granted		(51,500)	-	-	-
Proceeds from sublease		1,759	1,270	886	785
Net cash flows used in investing activities		(348,016)	(146,940)	(68,563)	(58,620)
Financing activities					
Shares buyback		(61,491)	(52,255)	(61,491)	(52,255)
Payment of principal portion of the lease liabilities		(133,685)	(116,197)	(72,856)	(63,243)
Interest paid		(76,563)	(60,941)	(39,453)	(31,252)
Repayment of borrowings		-	(32,296)	-	(16,148)
Net cash flows used in financing activities		(271,739)	(261,689)	(173,800)	(162,898)
Net increase in cash and cash equivalents		246,619	307,174	76,563	136,627
Net foreign exchange difference		(24,238)	40,307	(35,501)	24,250
Cash and cash equivalents at 1 January	11	1,199,932	869,703		
Cash and cash equivalents at 30 June	11	1,422,313	1,217,184		

Notes to the interim condensed consolidated financial statements

for the six months ended 30 June 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 six month ended 30 June 2024 were authorised for issue on 6 September 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 22 countries. As at 30 June 2024, the Group operated 1129 stores (1068 franchised stores, 61 company-owned stores), as at 31 December 2023: 1027 stores (973 franchised stores, 54 company-owned stores).

Information about main subsidiaries

Name	Principal activities	Country of incorporation	% equity interest	
			30 June 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 six months ended 30 June 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.

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

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 six months ended 30 June 2024 and 2023:

For the six months ended 30 June 2024	Franchising	Corporate- owned stores (Russia)	Venture projects	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	4,428,169	1,865,803	345,604	6,639,576	(342,330)	6,297,246
Inter-segment	213,404	-	-	213,404	(213,404)	-
Total revenue	4,641,573	1,865,803	345,604	6,852,980	(555,734)	6,297,246
Raw materials and consumables	(80,228)	(656,165)	(123,410)	(859,803)	11,214	(848,589)
Employee benefits	(1,502,157)	(575,219)	(543,380)	(2,620,756)	(119,779)	(2,740,535)
Distribution and advertising	(1,163,112)	(65,209)	(4,780)	(1,233,101)	254	(1,232,847)
Rent and utilities	(68,675)	(186,687)	(75,731)	(331,093)	178,772	(152,321)
Other operating income and expenses	(587,962)	(202,063)	(163,455)	(953,480)	142,467	(811,013)
EBITDA	1,239,439	180,460	(565,152)	854,747	(342,806)	511,941
Finance income						76,669
Finance costs						(132,292)
Depreciation and amortization						(268,261)
Expected credit losses on financial assets						(3,854)
Profit before tax						184,203

For the six months ended 30 June 2023	Franchising	Corporate- owned stores (Russia)	Venture projects	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	3,144,130	1,385,919	133,823	4,663,872	(103,380)	4,560,492
Inter-segment	175,986	-	-	175,986	(175,986)	-
Total revenue	3,320,116	1,385,919	133,823	4,839,858	(279,366)	4,560,492
Raw materials and consumables	(80,964)	(487,502)	(51,331)	(619,797)	(1,415)	(621,212)
Employee benefits	(1,094,679)	(415,931)	(215,517)	(1,726,127)	(12,623)	(1,738,750)
Distribution and advertising	(832,346)	(50,092)	(7,269)	(889,707)	20,072	(869,635)
Rent and utilities	(58,707)	(148,313)	(36,938)	(243,958)	146,092	(97,866)
Other operating income and expenses	(427,874)	(157,350)	(49,511)	(634,735)	125,352	(509,383)
EBITDA	825,546	126,731	(226,743)	725,534	(1,888)	723,646
Finance income						55,910
Finance costs						(61,351)
Depreciation and amortization						(201,496)
Expected credit losses on financial assets						(1,684)
Profit before tax						515,025

3. Segment information *(continued)*

The tables below illustrate financial information of the reportable segments reviewed by management for the three months ended 30 June 2024 and 2023.

For the three months ended 30 June 2024	Franchising	Corporate- owned stores (Russia)	Venture projects	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	2,281,382	955,459	215,444	3,452,285	(92,947)	3,359,338
Inter-segment	113,407	-	-	113,407	(113,407)	-
Total revenue	2,394,789	955,459	215,444	3,565,692	(206,354)	3,359,338
Raw materials and consumables	(42,976)	(338,221)	(74,417)	(455,614)	21,500	(434,114)
Employee benefits	(787,084)	(291,344)	(295,037)	(1,373,465)	(32,677)	(1,406,142)
Distribution and advertising	(674,147)	(33,907)	(2,244)	(710,298)	2,669	(707,629)
Rent and utilities	(34,236)	(89,145)	(45,538)	(168,919)	89,314	(79,605)
Other operating income and expenses	(267,192)	(102,955)	(90,408)	(460,555)	23,212	(437,343)
EBITDA	589,154	99,887	(292,200)	396,841	(102,336)	294,505
Finance income						38,143
Finance costs						(114,567)
Depreciation and amortization						(137,552)
Expected credit losses on financial assets						106
Profit before tax						80,635

For the three months ended 30 June 2023	Franchising	Corporate- owned stores (Russia)	Venture projects	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	1,646,274	716,586	75,681	2,438,541	(37,842)	2,400,699
Inter-segment	91,476	-	-	91,476	(91,476)	-
Total revenue	1,737,750	716,586	75,681	2,530,017	(129,318)	2,400,699
Raw materials and consumables	(37,111)	(249,759)	(28,968)	(315,838)	6,288	(309,550)
Employee benefits	(562,417)	(207,869)	(112,013)	(882,299)	(9,686)	(891,985)
Distribution and advertising	(442,803)	(25,651)	(3,930)	(472,384)	(35,012)	(507,396)
Rent and utilities	(29,059)	(72,243)	(20,238)	(121,540)	71,478	(50,062)
Other operating income and expenses	(238,286)	(81,763)	(24,335)	(344,384)	46,190	(298,194)
EBITDA	428,074	79,301	(113,803)	393,572	(50,060)	343,512
Finance income						30,967
Finance costs						(31,240)
Depreciation and amortization						(110,572)
Expected credit losses on financial assets						(735)
Profit before tax						231,932

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:

Segments	For the six months ended 30 June 2024				For the three months ended 30 June 2024			
	Franchising	Corporate- owned stores (Russia)	Venture projects	Total	Franchising	Corporate- owned stores (Russia)	Venture projects	Total
Type of goods or service								
Franchise fee	31,997	-	-	31,997	16,072	-	-	16,072
Marketing fee	1,116,835	-	-	1,116,835	666,600	-	-	666,600
Royalties	2,389,812	-	-	2,389,812	1,239,606	-	-	1,239,606
Retail sales	-	1,868,176	250,731	2,118,907	-	955,445	148,902	1,104,347
Call-centre services	288,551	-	-	288,551	143,003	-	-	143,003
Other sales	351,144	-	-	351,144	189,710	-	-	189,710
Total revenue from contracts with customers	4,178,339	1,868,176	250,731	6,297,246	2,254,991	955,445	148,902	3,359,338
Timing of revenue recognition								
Goods and services transferred at a point in time								
	4,146,342	1,868,176	250,731	6,265,249	2,238,919	955,445	148,902	3,343,266
Services transferred over time								
	31,997	-	-	31,997	16,072	-	-	16,072
Total revenue from contracts with customers	4,178,339	1,868,176	250,731	6,297,246	2,254,991	955,445	148,902	3,359,338
For the six months ended 30 June 2023								
For the three months ended 30 June 2023								
Segments	Franchising	Corporate- owned stores (Russia)	Venture projects	Total	Franchising	Corporate- owned stores (Russia)	Venture projects	Total
Type of goods or service								
Franchise fee	16,046	-	-	16,046	8,990	-	-	8,990
Marketing fee	768,456	-	-	768,456	433,491	-	-	433,491
Royalties	1,760,389	-	-	1,760,389	938,940	-	-	938,940
Retail sales	-	1,395,292	115,586	1,510,878	-	694,345	64,342	758,687
Call-centre services	243,214	-	-	243,214	123,165	-	-	123,165
Other sales	261,509	-	-	261,509	137,426	-	-	137,426
Total revenue from contracts with customers	3,049,614	1,395,292	115,586	4,560,492	1,642,012	694,345	64,342	2,400,699
Timing of revenue recognition								
Goods and services transferred at a point in time								
	3,033,568	1,395,292	115,586	4,544,446	1,633,022	694,345	64,342	2,391,709
Services transferred over time								
	16,046	-	-	16,046	8,990	-	-	8,990
Total revenue from contracts with customers	3,049,614	1,395,292	115,586	4,560,492	1,642,012	694,345	64,342	2,400,699

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 six months ended 30 June 2024			For the three months ended 30 June 2024		
	Franchising	Corporate- owned stores (Russia)	Venture projects	Franchising	Corporate- owned stores (Russia)	Venture projects
Revenue						
External customer	4,428,169	1,865,803	345,604	2,281,382	955,459	215,444
Inter-segment	213,404	-	-	113,407	-	-
	4,641,573	1,865,803	345,604	2,394,789	955,459	215,444
Inter-segment and other adjustments and eliminations	(463,234)	2,373	(94,873)	(139,798)	(14)	(66,542)
Total revenue from contracts with customers	4,178,339	1,868,176	250,731	2,254,991	955,445	148,902

	For the six months ended 30 June 2023			For the three months ended 30 June 2023		
	Franchising	Corporate- owned stores (Russia)	Venture projects	Franchising	Corporate- owned stores (Russia)	Venture projects
Revenue						
External customer	3,144,130	1,385,919	133,823	1,646,274	716,586	89,071
Inter-segment	175,986	-	-	91,476	-	-
	3,320,116	1,385,919	133,823	1,737,750	716,586	89,071
Inter-segment and other adjustments and eliminations	(270,502)	9,373	(18,237)	(95,738)	(22,241)	(24,729)
Total revenue from contracts with customers	3,049,614	1,395,292	115,586	1,642,012	694,345	64,342

4.2 Contract balances

	30 June 2024	31 December 2023
Trade receivables (Note 13)	845,021	908,413
Contract liabilities (Note 16)	804,970	728,304

The Group recognised impairment losses on receivables amounting to RUB 16,467 thousand and RUB 10,256 thousand for the six months ended 30 June 2024 and 2023, respectively.

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

4.3 Performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2024 and 31 December 2023 are, as follows:

	30 June 2024	31 December 2023
Within one year	152,716	148,315
More than one year	652,254	579,989

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 six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
Wages and salaries	2,194,476	1,405,196	1,132,589	710,204
Social security costs	303,520	198,704	157,556	98,654
Share-based payment expense	109,311	64,871	44,437	30,071
Other expenses	133,228	69,979	71,560	53,056
Total employee benefits	2,740,535	1,738,750	1,406,142	891,985

5.2. Distribution and advertising

	For the six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
National marketing campaign	1,144,038	832,368	663,227	482,780
Local marketing of corporate-owned stores	7,280	8,840	2,267	3,886
Other distribution and advertising	81,529	28,427	42,135	20,730
Total distribution and advertising	1,232,847	869,635	707,629	507,396

5.3. Other operating income

	For the six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
Income from operating sublease	33,656	41,067	17,855	15,319
Income on derecognition of ROU assets and lease liabilities	2,174	9,351	-	3,136
Other income	2,698	6,341	-	522
Total other operating income	38,528	56,759	17,855	18,977

5. Other income and expenses *(continued)*

5.4. Other operating expenses

	For the six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
Professional services	178,989	102,383	98,217	59,798
Hosting and infrastructure	171,719	99,948	92,104	53,536
Utilities and maintenance of premises and offices	152,321	97,866	79,605	50,062
Program software and licenses	119,333	72,789	62,251	38,068
Business trips	76,431	31,207	43,646	17,872
Internet and phone services	62,350	54,285	30,228	27,845
Maintenance of production equipment	62,151	42,669	34,921	23,111
Non-deductible taxes	42,391	57,741	20,940	36,274
Recruiting costs	37,531	25,495	20,689	18,243
Bank charges	35,772	28,530	19,116	15,016
Transportation costs	30,228	24,881	16,449	11,911
Other expenses	32,646	26,214	16,637	15,497
Total other operating expenses	1,001,862	664,008	534,803	367,233

5.5. Finance income

	For the six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
Interest income from loans and deposits	75,175	28,652	37,390	15,812
Interest income on lease deposits	893	799	460	426
Finance income on finance sublease	601	431	293	312
Net exchange difference	-	26,028	-	14,417
Total finance income	76,669	55,910	38,143	30,967

5.6. Finance costs

	For the six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
Interest expense on lease liabilities	76,563	58,223	39,453	30,082
Net exchange difference	55,729	-	75,114	-
Interest expense on borrowings	-	3,128	-	1,158
Total finance costs	132,292	61,351	114,567	31,240

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%. The expenses of UAE-based companies are 120,769 thousand rubles, while the expenses of Kazakhstan-based companies are 73,038 thousand rubles. Reconciliation of tax expense and the accounting profit multiplied by tax rate applicable in the Russian Federation for the six months ended 30 June 2024 and 2023 is as follows:

	For the six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
Income before tax	184,203	515,025	80,635	231,932
Theoretical income tax expense at 20% tax rate	(36,841)	(103,005)	(16,127)	(46,386)
Adjustments for:				
Tax effect of income and expenses that are not deductible in determining taxable profit	(46,181)	(32,558)	(13,821)	(7,618)
Effect of different tax rates applicable to the Parent and Group's subsidiaries	(13,321)	22,159	(21,283)	(3,560)
Income tax expense reported in the statement of profit or loss and other comprehensive income	(96,343)	(113,404)	(51,231)	(57,564)

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 six months ended 30 June 2024 and 2023 are:

	For the six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
Current income tax:				
Current income tax charge	(167,561)	(117,766)	(97,388)	(61,166)
Deferred tax:				
Relating to origination and reversal of temporary differences	71,218	4,362	46,157	3,602
Income tax expense reported in the statement of profit or loss and other comprehensive income	(96,343)	(113,404)	(51,231)	(57,564)

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	71,218	4,362
As at 30 June	233,155	130,434

6. Income tax (continued)

Deferred tax relates to the following:

	Consolidated statement of financial position		Consolidated statement of profit or loss	
	30 June 2024	31 December 2023	For the six months ended 30 June	
			2024	2023
Property, plant and equipment	64,039	41,346	22,693	15,546
Right-of-use assets	(305,999)	(285,622)	(20,377)	(41,314)
Intangible assets	16,227	1,246	14,981	(1,187)
Finance sublease receivables	(2,414)	(2,624)	210	(1,622)
Trade and other receivables	(31,454)	(6,623)	(24,831)	(6,153)
Prepayments	(6,330)	(6,452)	122	1,947
Other financial assets	10,697	2,610	8,087	595
Lease liabilities	237,758	230,230	7,528	19,919
Trade and other payables	58,994	49,230	9,764	10,265
Advances received	(13,079)	(13,362)	283	4,206
Contract liabilities	131,521	113,354	18,167	2,252
Tax losses carry forward	73,195	38,604	34,591	(92)
Deferred tax benefit			71,218	4,362
Net deferred tax assets	233,155	161,937		

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	28,191	95,383	38,643	-	252,458	414,675
Disposals	(3,842)	(12,192)	(5,002)	(65)	-	(21,101)
Transfer	3,899	13,359	1,271	-	(18,529)	-
Translation differences	(2,571)	(1,192)	(1,539)	-	(5,453)	(10,755)
As at 30 June 2024	451,095	495,688	197,135	3,972	349,505	1,497,395
Depreciation and impairment						
As at 1 January 2024	(138,023)	(181,315)	(88,803)	(1,281)	-	(409,422)
Depreciation charge	(38,974)	(42,987)	(19,283)	(326)	-	(101,570)
Disposals	1,892	8,080	5,610	65	-	15,647
Translation differences	587	180	332	-	-	1,099
As at 30 June 2024	(174,518)	(216,042)	(102,144)	(1,542)	-	(494,246)
Net book value						
As at 30 June 2024	276,577	279,646	94,991	2,430	349,505	1,003,149
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

The Group has lease contracts for premises (stores, offices, dough production centres and other premises) and equipment for dough production centres. As of 30 June 2024 the Group had arrangements (subject to IFRS 16) for 58 corporate-owned stores (31 December 2023: 57), 4 dough production centers (31 December 2023: 3), 6 management offices (31 December 2023: 6) and 5 warehouses (31 December 2023: 4).

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	131,174	-	131,174	(131,150)
Depreciation expense of right-of-use assets	(150,474)	(12,791)	(163,265)	-
Change as a result of modification and revaluation	9,979	-	9,979	(7,860)
Derecognition of lease contracts	(13,287)	-	(13,287)	15,461
Translation differences	(4,162)	-	(4,162)	4,653
Interest expense on lease liabilities	-	-	-	(76,563)
Income from temporary rent discounts	-	-	-	747
Total cash flows	-	-	-	210,248
As at 30 June 2024	1,103,532	78,761	1,182,293	(1,331,434)

The following are the amounts recognised in profit or loss:

	For the six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
Depreciation expense of right-of-use assets	(163,265)	(138,653)	(82,313)	(71,383)
Interest expense on lease liabilities	(76,563)	(58,223)	(39,453)	(30,082)
Expense relating to short-term leases	(52,562)	(20,391)	(25,306)	(12,368)
Income on derecognition of ROU assets and lease liabilities	2,174	9,351	-	3,136
Income from subleasing right-of-use assets	601	431	293	312
Rent concessions	747	1,214	-	1,214
Total expense recognised in profit or loss	(288,868)	(206,271)	(146,779)	(109,171)

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	2,547	2,564	1,364	16,064	22,539
Disposals	(1,381)	-	(418)	(49)	(1,848)
Translation differences	(62)	-	-	-	(62)
As at 30 June 2024	42,484	11,496	13,814	22,649	90,443
Amortisation and impairment					
As at 1 January 2024	(35,868)	(1,243)	(1,048)	-	(38,159)
Amortisation	(916)	(904)	(1,606)	-	(3,426)
Disposals	470	-	10	-	480
Translation differences	14	-	-	-	14
As at 30 June 2024	(36,300)	(2,147)	(2,644)	-	(41,091)
Net book value					
As at 30 June 2024	6,184	9,349	11,170	22,649	49,352
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:

	30 June 2024	31 December 2023
Raw materials	50,178	68,318
Finished goods and goods for resale	7,912	7,308
Semifinished goods	1,765	4,483
Total inventories at cost	59,855	80,109

11. Cash and cash equivalent

	30 June 2024	31 December 2023
Cash at bank and on hand	1,244,743	489,006
Short-term deposits	161,737	703,122
Cash in transit	15,833	7,804
Total cash and cash equivalents	1,422,313	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

	30 June 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Trade and other receivables (Note 13)	935,644	-	1,007,223	-
Net investment in sublease	-	12,069	-	13,122
Other financial assets:	2,487	88,315	137,065	37,831
Loans issued	-	57,991	-	3,624
Lease prepayments	2,487	30,324	2,525	34,207
Other financial assets	-	-	134,540	-
Total current and non-current financial assets	938,131	100,384	1,144,288	50,953
Total financial assets		1,038,515		1,195,241

12.2 Financial liabilities

	30 June 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Trade and other payables (Note 14)	832,766	-	651,342	-
Lease liabilities (Note 8)	301,169	1,030,265	280,768	1,066,202
Total current and non-current financial liabilities	1,133,935	1,030,265	932,110	1,066,202
Total financial liabilities		2,164,200		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

	30 June 2024	31 December 2023
Trade receivables	861,488	921,026
Other receivables	90,623	98,810
	952,111	1,019,836
Allowance for expected credit losses	(16,467)	(12,613)
Total current receivables	935,644	1,007,223

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

	2024	2023
As at 1 January	12,613	8,571
Provision for expected credit losses	16,467	12,613
Recovery of provision	(12,613)	(8,571)
As at 30 June	16,467	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>30 June 2024</u>	<u>31 December 2023</u>
Trade payables	410,293	345,402
Payables to employees	402,420	278,348
Other payables	20,053	27,592
Total trade and other payables	<u>832,766</u>	<u>651,342</u>

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>30 June 2024</u>	<u>31 December 2023</u>
VAT payables	283,276	242,507
Payables for insurance contributions	70,175	120,480
Income tax payables	28,059	27,107
Payables for other taxes	45,105	19,993
Total taxes payables	<u>426,615</u>	<u>410,087</u>

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.

	<u>30 June 2024</u>	<u>31 December 2023</u>
Franchise fee contract liability	703,669	625,305
Customer loyalty points	101,301	102,999
Total contract liabilities	<u>804,970</u>	<u>728,304</u>
Current	152,716	148,315
Non-current	652,254	579,989

16. Contract liabilities (continued)

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	123,380	53,975	55,888	43,877
Recognised as revenue	(33,332)	(16,208)	(57,586)	(48,188)
Translation difference	(11,684)	8,716	-	-
As at 30 June	703,669	375,616	101,301	111,669
Current	51,415	32,128	101,301	111,669
Non-current	652,254	343,488	-	-

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 2023	5,024,707	51,402	20.92	894,085	(124,302)
Exercise of share options (Note 19)	21,851	-	0.17	27,990	-
Shares buyback	-	20,497	-	-	(61,491)
At 30 June 2024	5,046,558	71,899	21.09	922,075	(185,793)

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 six months ended 30 June 2023.

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.

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.

18. Earnings per share (EPS) *(continued)*

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

	For the six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
Profit attributable to ordinary equity holders of the parent for basic earnings	87,860	401,621	29,404	174,368
Weighted average number of ordinary shares for basic EPS	5,042,882	4,974,828	5,046,558	4,976,876
Effect of dilution from share options granted to employees, number of shares	219,262	237,310	219,262	237,310
Weighted average number of ordinary shares adjusted for the effect of dilution	5,262,144	5,212,138	5,265,820	5,214,186
Basic earnings per share	₱17	₱81	₱6	₱35
Diluted earnings per share	₱17	₱77	₱6	₱33

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 six months 2024 or for the whole year 2023.

The expense recognised for employee services received during the period:

	For the six months ended 30 June	
	2024	2023
Expense arising from equity-settled share-based payment transactions	109,311	64,871
Total expense arising from share-based payment transactions	109,311	64,871

19. Share-based payments (continued)
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	WAFV	Number	WAEP	WAFV
		\$0	\$0		\$0	\$0
Outstanding at 1 January 2023	407,738	0.01	16.91	69,000	1.01	12.12
Granted during the period	46,300	0.01	27.57	-	-	-
Exercised during the period	(4,165)	0.01	14.29	-	-	-
Buyback during the period	(13,294)			-	-	-
Expired during the period	(19,560)	0.01	27.01	-	-	-
Outstanding at 30 June 2023	417,019	0.01	18.19	69,000	1.01	12.12
Exercisable at 30 June 2023	237,310	0.01	15.28	16,200	4.32	6.86
Outstanding at 1 January 2024	394,301	0.01	19.28	85,500	0.82	14.08
Granted during the period	58,950	0.01	26.45	-	-	-
Exercised during the period	(21,851)	0.01	14.31	(5,000)	0.01	18.06
Buyback during the period	(18,890)	-	-	-	-	-
Expired during the period	(8,474)	0.01	20.04	-	-	-
Outstanding at 30 June 2024	404,036	0.01	21.48	80,500	0.87	13.83
Exercisable at 30 June 2024	219,262	0.01	15.67	68,400	1.02	10.94

The weighted average remaining contractual life for the share options outstanding as at 30 June 2024 was 0.67 years (30 June 2023: 0.65 years).

The following table lists the model's inputs used for the plans for the periods ended 30 June 2024 and 31 December 2023, respectively:

	30 June 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 30 June 2024 amounts owed by key management personnel of the Group are RUB 75 thousand (31 December 2023: RUB 6 thousand). As at 30 June 2024 amounts owed to key management personnel of the Group are RUB 4,915 thousand (31 December 2023: RUB 3,691 thousand). There were no sales to other related parties for the six months ended 30 June 2024 (for the six months ended 30 June 2023: nil RUB).

The following table provides the total amount of loans transactions that have been entered into with related parties during the six months ended 30 June 2024 and 2023, as well as balances with related parties as at 30 June 2024 and 31 December 2023:

		Interest accrued		Amounts owed to related parties
		For the six months	For the three months	
Loans from related parties				
The ultimate controlling shareholder	2024	-	-	-
	2023	2,233	887	-
		Interest accrued		Amounts owed by related parties
		For the six months	For the three months	
Loans to related parties				
The ultimate controlling shareholder (Note 12)	2024	2,867	1,621	57,991
	2023	142	71	3,624

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

	For the six months ended 30 June		For the three months ended 30 June	
	2024	2023	2024	2023
Wages and salaries	46,713	54,788	23,497	27,814
Share-based payment transactions	52,636	9,408	6,549	6,568
Total compensation paid to key management personnel	99,349	64,196	30,046	34,382

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.