For Immediate Release 8 September 2020

DP Eurasia N.V.

("DP Eurasia" or the "Company", and together with its subsidiaries, the "Group")

Interim Results for the Period Ended 30 June 2020

Accelerating trend to online drives resilient performance

Highlights

	For the period ended 30 June		
	2020	**2019**	**Change**
	(in millions of TRY, unless otherwise indicated)		
Number of stores	**754**	**736**	**18**
Group system sales [1]			
Group	**664.7**	**645.4**	**3.0%**
Turkey	438.9	386.4	13.6%
Russia	212.7	249.0	-14.6%
Azerbaijan & Georgia	13.1	10.0	30.4%
Group system sales like-for-like growth[2]			
Group[8]	**6.0%**	**7.3%**	
Turkey	13.5%	7.7%	
Russia (based on RUB)	-20.1%	4.7%	
Group revenue	**437.7**	**462.5**	**-5.4%**
Group adjusted EBITDA[3] (excl. IFRS 16)	**12.1**	**46.4**	**-73.9%**
Group adjusted net loss [4] (excl. IFRS 16)	**(57.4)**	**(7.4)**	**n.m.**
Group adjusted net debt[5] (excl. IFRS 16)	**237.3**	**224.9**	5.5%
Group adjusted EBITDA[3]	42.7	79.6	-46.4%
Group adjusted net loss[4]	(60.9)	(12.1)	n.m.
Turkey adjusted EBITDA[3]	50.4	55.5	-9.2%
Turkey adjusted EBITDA[3] (excl. IFRS 16)	39.1	41.3	-5.3%
Russia adjusted EBITDA[3]	(3.0)	27.5	n.m.
Russia adjusted EBITDA[3] (excl. IFRS 16)	(22.3)	8.6	n.m.

Financial Highlights

- Strong liquidity position with TRY 256 million of cash at hand and additional available bank lines of TRY 82 million as at 30 June 2020
- Adjusted net debt (excl. IFRS 16) of TRY 237.3 million as at 30 June 2020 (2019: TRY 226.5 million)
- Group system sales up 3.0% and revenue down 5.4%, due to Covid-19 related operational constraints and increased competition in Russia due to aggregators
    - Turkish systems sales growth of 13.6%
    - Russian system sales decrease of 14.6% (21.2% based on RUB)
- Adjusted EBITDA (excl. IFRS 16) of TRY 12.1 million, including TRY 8.6 million of Covid-19 related costs
- Adjusted net loss (excl. IFRS 16) of TRY 57.4 million

Operational Highlights

- Enhanced health and safety procedures rolled out in line with local regulations and best practice to protect colleagues and build trust with customers
- Turkey and Russia continue to leverage online ordering - share of delivery system sales surpassed 75% for the period (H1 2019: 67.5%)
- Group online system sales[7] growth of 27.7%
    - Turkish online system sales growth of 38.2%
    - Russian online system sales growth of 14.2% (5.3% based on RUB)
- 11 net store closures in H1 2020 due to Covid
- Andrew Rennie joins the Group as Board Advisor

Commenting on the results, Chief Executive Officer, Aslan Saranga said:

“On behalf of the Board, I am pleased to report a set of resilient results for the first half of 2020. The on-going Covid-19 pandemic has resulted in unprecedented trading conditions and I am proud of the way our business has reacted so positively to the challenges. We took immediate measures at the outset to ensure that we were able to continue our operations, albeit with some heavy constraints due to the government restrictions imposed. I am happy to report that almost all our stores are now open for business for delivery, take-away and dine-in services. I would like to thank all our employees and franchisees for their sacrifice, hard work and determination.

“Our Turkish business performed well, indeed broadly in line with our start of year pre Covid-19 expectations whilst the performance in Russia reflected the heavier operational constraints imposed on us along with the increased competition due to the aggregators. While delivery system sales in Russia were flat in the post-Covid period (16 Mar-30 Jun) compared to the same period in 2019, our dine-in/take-away system sales were down in excess of 75%. This drop in sales had a significant impact on our Russian profitability; however, we are seeing an improved like-for-like growth of -10.9% in July/August (as compared to the same months in 2019) and coupled with the cost cutting measures that we have taken, we are experiencing a reduction in EBITDA losses. Trading continues to remain strong in Turkey at a like-for-like growth of 27.5% in July/August on the back of the delivery channel.

“We have continued to make operational progress during the period with the launch of a new wrap and additional chicken products in Turkey that are performing well in the early days. We also started trialling our loyalty programme in Russia, following its success in Turkey. Our technology and product innovation pipeline remains strong with new pizzas to be launched in the second half of 2020 in both countries.

“Digital continues to drive our business forward with significant growth achieved in both of our markets. Online ordering as a percentage of delivery has surpassed 75% across the Group, an increase of 7.6 percentage points from last year, with the Russian and Turkish businesses reaching approximately 90% and 70%, respectively.

“I am pleased to announce that Mr. Andrew Rennie has joined the Group as Board Advisor. Andrew is a 25-year veteran of the Domino’s system, who last served as Domino’s Pizza Enterprises Limited’s (“DMP”)

CEO of European Operations and was responsible for six markets. Under his leadership, DMP's European Operations achieved a 10-fold increase over a 13-year period."

"Assuming that we are not faced with significantly worse operational constraints, with the strong liquidity of TRY 256 million of cash at hand and additional available bank lines, the Board remains confident in the Group's near-term plans for business continuity and cash flow as well as its overall prospects in the longer term. However, given the considerable uncertainty ahead, including the risk of additional lockdowns and a possible decline in consumer spending in the countries in which the Group operates, the Board is not in a position to provide meaningful guidance on the likely financial and operating results for 2020 and will continue to update the financial market in due course."

Enquiries

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A conference call will be held at 9.30am on 8 September 2020 for analysts and investors via the following dial-in details:

Conference call: UK Toll: +44 3333000804
UK Toll Free: 08003589473
Participant PIN code: 43153604#
URL for international dial in numbers:
http://events.arkadin.com/ev/docs/NE_W2_TF_Events_International_Access_List.pdf

DP Eurasia N.V.'s 2020 interim results and corporate presentation are available at www.dpeurasia.com. A conference call replay will be available on the website in due course.

Notes

(1) System sales are sales generated by the Group's corporate and franchised stores to external customers and do not represent revenue of the Group.

(2) Like-for-like growth is a comparison of sales between two periods that compares system sales of existing system stores. The Group's system stores that are included in like-for-like system sales comparisons are those that have operated for at least 52 weeks preceding the beginning of the first month of the period used in the like-for-like comparisons for a certain reporting period, assuming the relevant system store has not subsequently closed or been "split" (which involves the Group opening an additional store within the same map of an existing store or in an overlapping area).

(3) EBITDA, adjusted EBITDA and non-recurring and non-trade income/expenses are not defined by IFRS. These items are determined by the principles defined by the Group management and comprise income/expenses which are assumed by the Group management to not be part of the normal course of business and are non-trading items. These items which are not defined by IFRS are disclosed by the Group management separately for a better understanding and measurement of the sustainable performance of the Group. Please refer to Note 3 in the Consolidated Financial statements for a reconciliation of these items with IFRS.

(4) Adjusted net income is not defined by IFRS. Adjusted net income excludes income and expenses which are not part of the normal course of business and are non-recurring items. Management uses this measurement basis to focus on core trading activities of the business segments and to assist it in evaluating underlying business performance. Please refer to Note 3 in the Consolidated Financial statements for a reconciliation of this item with IFRS.

[5] Net debt and adjusted net debt are not defined by IFRS. Adjusted net debt includes cash deposits used as a loan guarantee and cash paid, but not collected during the non-working day at the year end. Management uses these numbers to focus on net debt including deposits not otherwise considered cash and cash equivalents under IFRS.

[6] Delivery system sales are system sales of the Group generated through the Group's delivery distribution channel.

[7] Online system sales are system sales of the Group generated through its online ordering channel.

[8] Group like-for-like growth is a weighted average of the country like-for-like growths based on store numbers as described in Note (2).

Notes to Editors

DP Eurasia N.V. is the exclusive master franchisee of the Domino's Pizza brand in Turkey, Russia, Azerbaijan and Georgia. The Company was admitted to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange plc on 3 July 2017. The Company (together with its subsidiaries, the "Group") is the largest pizza delivery company in Turkey and the third largest in Russia. The Group offers pizza delivery and takeaway/ eat-in facilities at its 754 stores (542 in Turkey, 199 in Russia, nine in Azerbaijan and four in Georgia as at 30 June 2020), and operates through its owned corporate stores (32%) and franchised stores (68%). The Group maintains a strategic balance between corporate and franchised stores, establishing networks of corporate stores in its most densely populated areas to provide a development platform upon which to promote best practice and maximise profitability. The Group has adapted the Domino's Pizza globally proven business model to its local markets.

Performance Review

System Sales	For the period ended 30 June		
	2020	2019	Change
	(in millions of TRY, unless otherwise indicated)		
Group system sales (1)			
Group	**664.7**	**645.4**	**3.0%**
Turkey	438.9	386.4	13.6%
Russia	212.7	249.0	-14.6%
Azerbaijan & Georgia	13.1	10.0	30.4%
Group system sales like-for-like growth(2)			
Group(8)	**6.0%**	**7.3%**	
Turkey	13.5%	7.7%	
Russia (based on RUB)	-20.1%	4.7%	

Store Count	As at 30 June					
	2020			2019		
	Corporate	Franchised	Total	Corporate	Franchised	Total
Turkey	121	421	542	136	402	538
Russia	120	79	199	101	86	187
Azerbaijan	-	9	9	-	7	7
Georgia	-	4	4	-	4	4
Total	**241**	**513**	**754**	**237**	**499**	**736**

DP Eurasia's store count grew by 18 stores year-on-year, but performance was affected by the Covid-19 pandemic as a result of which the Group reported a decrease of 11 stores since the end of 2019. The Group increased its system sales by 3.0% year-on-year, where the effect of the increase in store count was off-set by negative like-for-like performance in Russia, primarily due to the operational constraints imposed as a result of Covid and increased competition from the aggregators. DP Eurasia had started 2020 with a strong performance, driven by its Turkish business and system sales increased by 20.0% year-on-year in the pre-Covid period (1 Jan - 15 Mar). However, the impact of the pandemic in the post-Covid period (16 Mar - 30 Jun) resulted in an 8.7% contraction in system sales.

The Turkish operations' system sales, representing 66% of Group system sales, increased by 13.6%. The Group achieved 13.5% like-for-like growth in Turkey despite the negative effects of the operational constraints levied on it due to the pandemic, especially in the dine-in and take-away channels. The Group countered the negative effect of the pandemic with its strong performance in the delivery channel. As a result of the volatile backdrop, the Company's Turkish store count (including Azerbaijan and Georgia) increased by six over the last twelve months, while decreasing by seven since the end of 2019.

The Russian operations' system sales, representing 32% of Group system sales, decreased by 14.6% (21.2% based on RUB). The Group reported -20.1% like-for-like growth in Russia during the period. The main reasons for the contraction of the Russian business were the operational constraints levied on it due to the pandemic where Moscow was under strict curfew measures for a period of 72 days until 9 June 2020, alongside increased competition from aggregators and fast food players supported by them. Following the appointment of the Russian management team, the Group had just started executing the Russia plan when the pandemic hit Russia, which makes it very difficult to assess the effect of the plan on the business. The Group added twelve stores over the last twelve months, while it closed four stores since the end of 2019.

Delivery Channel Mix and Online like-for-like growth

The following table shows the Group's delivery system sales, analysed by ordering channel and by the Group's two largest countries in which it operates, as a percentage of delivery system sales:

		For the period ended 30 June					
		2020			2019		
		Turkey	Russia	Total	Turkey	Russia	Total
Store		28.3%	10.9%	23.5%	34.0%	20.8%	30.0%
Online	**Group's online platform**	25.1%	73.9%	41.5%	30.1%	79.2%	48.0%
	Aggregator	44.4%	15.2%	33.6%	31.9%	-	19.5%
	Total online	69.5%	89.1%	75.1%	62.0%	79.2%	67.5%
Call centre		2.3%	-	1.4%	4.0%	-	2.5%
Total(6)		100%	100%	100%	100%	100%	100%

The following table shows the Group's online like-for-like growth(2), analysed by the Group's two largest countries in which it operates:

	For the period ended 30 June	
	2020	2019
Group online system sales like-for-like growth(2)(7)		
Group(8)	**32.3%**	**22.9%**
Turkey	38.6%	24.1%
Russia (based on RUB)	8.9%	16.9%

The Group's like-for-like growth continues to be driven by the performance of its online ordering platforms. Online delivery system sales as a share of delivery system sales surpassed 75% for the period, which represents a 7.6 percentage point increase on a year-on-year basis.

In Turkey, online system sales like-for-like growth for the period was 32.3%, as a result of which online delivery system sales as a share of delivery system sales reached 69.5% for the period, a 7.5 percentage point increase from a year ago, aided also by an increase in volumes through the aggregator.

In Russia, online system sales like-for-like growth for the period was 8.9%, as a result of which online delivery system sales as a share of delivery system sales reached 89.1% for the period, a 9.9 percentage point increase from a year ago, aided by the Group's participation in an aggregator for the first time.

Online system sales continued to outpace the overall system sales growth at 27.7% for the Group. Turkish online system sales grew by 38.2%, while Russian online system sales grew by 14.2% (5.3% based on RUB).

Financial Review

	For the period ended 30 June		
	2020	**2019**	**Change**
	(in millions of TRY)		
Revenue	**437.7**	**462.5**	**-5.4%**
Cost of sales (excl. IFRS 16)	(311.4)	(314.5)	-1.0%
Gross Profit (excl. IFRS 16)	**126.4**	**148.0**	**-14.6%**
General administrative expenses (excl. IFRS 16)	(78.8)	(72.1)	9.3%
Marketing and selling expenses	(79.5)	(63.8)	24.6%
Other operating expenses, net (excl. IFRS 16)	(1.0)	3.3	0.0%
Operating profit (excl. IFRS 16)	**(32.9)**	**15.5**	**n.m.**
Foreign exchange (losses)/gains (excl. IFRS 16)	(8.6)	2.8	n.m.
Financial income (excl. IFRS 16)	5.4	3.2	68.8%
Financial expense (excl. IFRS 16)	(29.0)	(25.1)	15.5%
(Loss)/Profit before income tax (excl. IFRS 16)	**(65.1)**	**(3.5)**	**n.m.**
Tax expense (excl. IFRS 16)	(0.0)	(5.3)	n.m.
(Loss)/Profit after tax (excl. IFRS 16)	**(65.0)**	**(8.9)**	**n.m.**
Group adjusted EBITDA(3) (excl. IFRS 16)	**12.1**	**46.4**	**-73.9%**
Group adjusted net loss (4) (excl. IFRS 16)	**(57.4)**	**(7.4)**	**n.m.**
Group adjusted net debt(5) (excl. IFRS 16)	**237.3**	**224.9**	5.5%
Group adjusted EBITDA(3)	42.7	79.6	-46.4%
Group adjusted net loss (4)	(60.9)	(12.1)	n.m.
Turkey adjusted EBITDA(3)	50.4	55.5	-9.2%
Turkey adjusted EBITDA(3) (excl. IFRS 16)	39.1	41.3	-5.3%
Russia adjusted EBITDA(3)	(3.0)	27.5	n.m.
Russia adjusted EBITDA(3) (excl. IFRS 16)	(22.3)	8.6	n.m.

Revenue

Group revenue contracted by 5.4% to TRY 437.7 million. Turkish segment revenue grew by 8.7% to TRY 283.8 million, while Russian segment revenue contracted by 23.6% to TRY 154.0 million.

Adjusted EBITDA

The Board maintains that adjusted EBITDA is the most relevant indicator of the Group's profitability at this stage of its development. The Group has adopted IFRS 16 from 1 January 2019 and provides figures above both under IFRS 16 and prior to the adoption of IFRS 16 to assist comparability between periods.

The Group's adjusted EBITDA (excluding IFRS 16) contracted by 73.9% to TRY 12.1 million. Adjusted EBITDA (excluding IFRS 16) for the Turkish segment, which includes the Azerbaijani and Georgian businesses, was TRY 39.1 million, a year-on-year decrease of 5.3%, and adjusted EBITDA (excluding IFRS 16) for the Russian segment was TRY –22.3 million. The Group's adjusted EBITDA figure includes TRY 8.6 million of Covid-19 related costs of which TRY 7.7 million are considered to be of non-recurring nature. The breakdown of these costs between Turkey and Russia was TRY 5.8 million and TRY 2.8 million, respectively. Additionally, costs relating to our Dutch corporate expenses reduced adjusted EBITDA by TRY 4.7 million in the first half of 2020. The comparable adverse effect of this item was TRY 3.5 million for the same period in 2019, with the increase in 2020 primarily due to the devaluation of the TRY against the EUR and the GBP.

For the period ended 30 June 2020, the Group's adjusted EBITDA (excluding IFRS 16) margin as a percentage of system sales was 1.8% compared to 7.2% over the same period in 2019. The main reasons for the decrease were the contraction in the Russian business due to the operational constraints levied for Covid-19 and the Covid-19 related costs.

Adjusted EBITDA (excluding IFRS 16) margin as a percentage of system sales for the Turkish segment (including Azerbaijan and Georgia) recorded a decrease to 8.7% from 10.4% mainly due to Covid-19 related costs.

The Russian segment margin decreased to –10.5% from 4.9%. The main reason for the decrease is the system sales contraction caused by the pandemic and increased competition from the aggregators. Management has started to take actions to address the issues in line with the plan laid out at the Company's 2019 results announcement, such as making long term improvements to product, service and technology and further investment in the brand; adopting a new marketing strategy making use of celebrity endorsement, cluster-based pricing, different channel mix, and simpler, price-led advertisements; expanding the use of the aggregator platform; and cost cutting measures. The Board continues to remain confident in the medium- and long-term potential of the Russian market for DP Eurasia.

Adjusted Net Income

For the period ended 30 June 2020, adjusted net loss (excluding IFRS 16) was TRY 57.4 million. The decreases in revenue and adjusted EBITDA (excluding IFRS 16) were the main reasons for the increase in this loss compared to the same period in 2019. While the Group's bank facilities are TRY and RUB denominated, the Group recorded a foreign exchange loss of TRY 8.6 million due to the intragroup loans made between group companies in different jurisdictions versus a foreign exchange gain of TRY 2.8 million in the same period of the previous year.

Capital expenditure and Cash conversion

The Group incurred TRY 24.6 million of capital expenditure in the period ended 30 June 2020. The Turkish segment capital expenditure was TRY 16.5 million and the Russian segment capital expenditures amounted to TRY 8.1 million (RUB 87.1 million).

Cash conversion, defined as (adjusted EBITDA (excluding IFRS 16)- capital expenditure)/adjusted EBITDA (excluding IFRS 16)) for the period decreased to -103.3% (H1 2019: 36.3%) for the Group as a result of the pandemic and increased competition in Russia. The Turkish segment improved its cash conversion to 57.8% (H1 2019: 53.6%) as a result of its resilient performance and prudent capital expenditure management. The Russian segment had negative cash conversion due to its negative adjusted EBITDA.

Adjusted net debt and leverage

Excluding the impact of IFRS 16, the Group's adjusted net debt at 30 June 2020 was TRY 237.3 million, representing an increase of 5.5% from 30 June 2019 and an increase of 4.8% from 31 December 2019. The Group's bank borrowings continue to be denominated in its operational currencies of TRY and RUB. As at 30 June 2020, 68% of the Group's bank borrowings were denominated in TRY, compared to 52% as at 31 December 2019, while the remainder is denominated in RUB.

The Group's leverage ratio (defined as adjusted net debt (excluding IFRS 16)/adjusted EBITDA excluding IFRS 16)) increased to 2.6x as at 30 June 2020 (H1 2019: 1.9x) as a result of the depressed EBITDA performance.

The Group's treasury has succeeded in extending the duration of its Turkish bank borrowings in the face of interest rate uncertainty in the market. As at 30 June 2020, long term bank borrowings made up 48% of the Group's total Turkish bank borrowings, whereas the Group previously relied on short term revolver facilities.

The Group's Russian loan facility carries financial covenants, which the Group was unable to meet in the first two quarters of 2020, due to the impact of Covid-19, and the Group was granted waivers. As of 31 August 2020, the Group has obtained a new waiver letter from Sberbank which covers the quarters ending 30 September 2020 and 31 December 2020. The bank confirmed that it will not penalize the Group for violation of covenants for any period through to 31 December 2020 following the Group's agreement to reset the covenants based on a mutually agreed upon business plan by 1 October 2020. In July 2020, DP Eurasia made a prepayment of RUB 0.6 billion under its Russian loan, reducing the principal outstanding to RUB 1.0 billion of which RUB 0.2 billion is supported by a cash collateral deposit. The Group's strong liquidity position enables it to repay its bank borrowings in Russia if required, and still maintain a strong liquidity position. As at 30 June 2020, DP Eurasia had TRY 256 million of cash at hand and additional available bank lines of TRY 82 million.

New Appointment

Mr. Andrew Rennie has joined the Group as Board Advisor. Andrew is a 25-year veteran of the Domino's system, who last served as Domino's Pizza Enterprises Limited's ("DMP") CEO of European Operations and was responsible for six markets. Under his leadership, DMP's European Operations achieved a 10-fold increase over a 13-year period. He will provide professional and technical advice for the strategic direction as well as operational and tactical business decisions of the DPEU Board. Andrew has been granted a call option from our largest shareholder to acquire four million DPEU shares at a strike price of GBP 1.05 that expires on 30 September 2022 and will receive a retainer fee from the Company.

Board compliance statement

The Board of DP Eurasia N.V. declares that, to the best of their knowledge, the attached condensed combined and consolidated financial statements give a true and fair view of the assets, liabilities, financial position and the result of DP Eurasia N.V. and its subsidiaries included in the attached condensed combined and consolidated financial statements and the interim report includes a fair review of the information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Amsterdam, 8 September 2020

The Directors of DP Eurasia N.V. as at the date of this announcement are as set out below:

Peter Williams*
Aslan Saranga, Chief Executive Officer
Frederieke Slot, Company Secretary
Seymur Tarı*
Izzet Talu*
Aksel Şahin*
Thomas Singer*

* Non-Executive Directors

Auditor's Involvement

This Interim Report for the six months ended 30 June 2020, and the attached condensed consolidated financial statements included herein have been reviewed but not audited by an external auditor.

Forward looking statements

This press release includes forward-looking statements which involve known and unknown risks and uncertainties, many of which are beyond the Group's control and all of which are based on the Directors' current beliefs and expectations about future events. They appear in a number of places throughout this press release and include all matters that are not historical facts and include predictions, statements regarding the intentions, beliefs or current expectations of the Directors or the Group concerning, among

other things, the results of operations, financial condition, prospects, growth and strategies of the Group and the industry in which it operates.
No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements.
Forward-looking statements contained in this press release speak only as of the date of this press release. The Company and the Directors expressly disclaim any obligation or undertaking to update these forward-looking statements contained in this press release to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based.

Appendices

Exchange Rates

	For the period ended 30 June			
	2020		2019	
Currency	Period End	Period Average	Period End	Period Average
EUR/TRY	7.708	7.132	6.557	6.343
RUB/TRY	0.097	0.093	0.091	0.086
EUR/RUB	78.678	77.961	71.820	73.840

Delivery – Take away / Eat in mix

	For the period ended 30 June					
	2020			2019		
	Turkey	Russia	Total	Turkey	Russia	Total
Delivery	70.0%	77.4%	72.4%	63.9%	60.3%	62.5%
Take away / Eat in	30.0%	22.6%	27.6%	36.1%	39.7%	37.5%
Total[2]	100%	100%	100%	100%	100%	100%

DP EURASIA N.V.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2020 AND 30 JUNE 2019
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

	Notes	30 June 2020	30 June 2019
INCOME OR LOSS			
Revenue	4	437,745	462,484
Cost of sales		(309,339)	(305,377)
GROSS PROFIT		**128,406**	**157,107**
General administrative expenses		(76,934)	(71,327)
Marketing and selling expenses		(79,534)	(63,751)
Other operating income		(891)	1,585
OPERATING (LOSS)/ PROFIT		**(28,953)**	**23,614**
Foreign exchange (losses)/gains	6	(7,594)	2,277
Financial income	6	12,664	8,264
Financial expense	6	(45,506)	(44,629)
LOSS BEFORE INCOME TAX		**(69,389)**	**(10,474)**
Tax expense		**882**	**(3,110)**
Income tax expense	20	(4,574)	(3,712)
Deferred tax income	20	5,456	602
LOSS FOR THE PERIOD		**(68,507)**	**(13,584)**
OTHER COMPREHENSIVE EXPENSE		**(16,735)**	**(13,948)**
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations, net of tax		124	274
Items that may be reclassified to profit or loss			
- Currency translation differences		(16,859)	(14,222)
TOTAL COMPREHENSIVE LOSS		**(85,242)**	**(27,532)**
Loss per share	7	(0.47)	(0.09)

The accompanying notes on pages 17 till 41 form an integral part of these condensed consolidated interim financial statements.

DP EURASIA N.V.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2020 AND 31 DECEMBER 2019
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

ASSETS	**Notes**	**30 June 2020**	**31 December 2019**
Trade receivables	13	13,092	23,422
Lease receivables	10	30,200	39,568
Right-of-use assets	10	145,740	180,236
Property and equipment	8	146,286	160,043
Intangible assets	9	77,990	81,424
Goodwill	11	47,297	47,133
Deferred tax assets	20	23,375	18,060
Other non-current assets	16	35,271	35,903
Non-current assets		**519,251**	**585,789**
Cash and cash equivalents	12	231,010	70,928
Trade receivables	13	97,770	114,493
Lease receivables	10	18,364	16,618
Inventories	15	59,857	70,062
Other current assets	16	61,008	65,247
Current assets		**468,009**	**337,348**
TOTAL ASSETS		**987,260**	**923,137**

The accompanying notes on pages 17 till 41 form an integral part of these condensed consolidated interim financial statements.

DP EURASIA N.V.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2020 AND 31 DECEMBER 2019
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

	Notes	30 June 2020	31 December 2019
EQUITY			
Paid in share capital	19	36,353	36,353
Share premium		119,286	119,286
Contribution from shareholders	21	20,696	19,970
Other reserves not to be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		(2,467)	(2,591)
Other reserves to be reclassified to profit or loss			
- Currency translation differences		(39,147)	(22,288)
Retained earnings		(108,839)	(40,332)
Total equity		**25,882**	**110,398**
LIABILITIES			
Financial liabilities	17	307,501	153,159
Lease liabilities	17	146,048	184,708
Other non-current liabilities	16	34,720	39,092
Non - current liabilities		**488,269**	**376,959**
Financial liabilities	17	173,085	164,854
Lease liabilities	17	74,878	71,427
Trade payables	13	158,112	121,178
Current income tax liabilities		2,014	8,955
Provisions		4,274	5,354
Other current liabilities	16	60,746	64,012
Current liabilities		**473,109**	**435,780**
TOTAL LIABILITIES		**961,378**	**812,739**
TOTAL LIABILITIES & EQUITY		**987,260**	**923,137**

The accompanying notes on pages 17 till 41 form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2020 30 JUNE 2019
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

	Share capital	Share premium	Contribution from shareholders	Remeasurement of post-employment benefit obligations	Currency translation differences	Retained earnings	Total Equity
Balances at 1 January 2019	**36,353**	**119,286**	**20,697**	**(2,484)**	**(689)**	**(34,714)**	**138,449**
Remeasurements of post-employment benefit obligations, net	-	-	-	274	-	-	274
Currency translation adjustments	-	-	-	-	(14,222)	-	(14,222)
Total loss for the period	-	-	-	-	-	(13,584)	(13,584)
Total comprehensive loss	-	-	-	*274*	*(14,222)*	*(13,584)*	*(27,532)*
Transfers (Note 21)	-	-	*(2,192)*	-	-	*2,192*	-
Share-based incentive plans (Note 21)	-	-	841	-	-	-	841
Balances at 30 June 2019	**36,353**	**119,286**	**19,346**	**(2,210)**	**(14,911)**	**(46,106)**	**111,758**
Balances at 1 January 2020	**36,353**	**119,286**	**19,970**	**(2,591)**	**(22,288)**	**(40,332)**	**110,398**
Remeasurements of post-employment benefit obligations, net	-	-	-	124	-	-	124
Currency translation adjustments	-	-	-	-	(16,859)	-	(16,859)
Total loss for the period	-	-	-	-	-	(68,507)	(68,507)
Total comprehensive loss	-	-	-	*124*	*(16,859)*	*(68,507)*	*(85,242)*
Share-based incentive plans (Note 21)	-	-	726	-	-	-	726
Balances at 30 June 2020	**36,353**	**119,286**	**20,696**	**(2,467)**	**(39,147)**	**(108,839)**	**25,882**

The accompanying notes on pages 17 till 41 form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2020 AND 30 JUNE 2019
(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

	Notes	30 June 2020	30 June 2019
Loss before income tax		(69,389)	(10,474)
Adjustments for:			
Depreciation	8	49,172	20,388
Amortisation	9	14,835	34,103
Gains on sale of property and equipment	6	728	(1,097)
Impairment of tangible and intangible assets	8,9	5,321	-
Non-cash employee benefits expense - share based payments	21	726	841
Interest income	6	(12,664)	(1,396)
Interest expense	6	45,506	37,676
Changes in operating assets and liabilities			
Changes in trade receivables		20,762	(92,933)
Changes in other receivables and assets		12,547	(19,339)
Changes in inventories		10,205	(3,505)
Changes in contract assets		198	1,750
Changes in contract liabilities		(3,881)	3,798
Changes in trade payables		36,216	10,958
Changes in other payables and liabilities		(751)	(5,015)
Income taxes paid		(11,562)	(3,372)
Performance bonuses paid		(4,119)	(7,010)
Cash flows generated from/ (used in) operating activities		**93,850**	**(34,627)**
Purchases of property and equipment	8	(7,227)	(20,184)
Purchases of intangible assets	9	(13,248)	(9,051)
Disposals from sale of tangible and intangible assets		997	5,543
Cash flows used in investing activities		**(19,478)**	**(23,692)**
Interest paid		(24,855)	(28,484)
Interest on leases paid		(9,272)	(15,089)
Interest received		5,444	1,396
Loans obtained		309,497	141,728
Loans paid	17	(151,564)	(20,656)
Payment of lease liabilities	17	(51,064)	(24,515)
Cash flows generated from from financing activities		**78,186**	**54,380**
Effect of currency translation differences		7,525	(2,963)
Net increase/ (decrease) in cash and cash equivalents		**160,083**	**(6,902)**
Cash and cash equivalents at the beginning of the period	**12**	**70,928**	**28,444**
Cash and cash equivalents at the end of the period	**12**	**231,010**	**21,542**

The accompanying notes on pages 17 till 41 form an integral part of these condensed consolidated interim financial statements.

(Amounts expressed in thousands of Turkish Lira (TRY) unless otherwise stated.)

NOTE 1 - GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES

DP Eurasia N.V. (the "Company"), public limited company, having its statutory seat in Amsterdam, the Netherlands, was incorporated under the law of the Netherlands on 18 October 2016. The Company has been incorporated by integrating shares of Fides Food Systems Coöperatief U.A. and Vision Lovemark Coöperatief U.A. in Fidesrus B.V. and Fides Food Systems B.V. Acquisitions occurred on 18 October 2016 when the Company acquired Fidesrus and Fides Foods and their subsidiaries and from this point forward consolidated Group was formed. This was a transaction under common control.

The Company's registered address is: Herikerbergweg 238, Amsterdam, the Netherlands.

The Company and its subsidiaries (together referred as the "Group") operate corporate-owned and franchise-owned stores in Turkey and the Russian Federation, including providing technical support, control and consultancy services to the franchisees.

As at 30 June 2020, the Group hold franchise operating and sub-franchising right in 754 stores (513 franchise stores, 241 corporate-owned stores) (31 December 2019: 765 stores (521 franchise stores, 244 corporate-owned stores).

Subsidiaries

The Company has a total of four fully-owned subsidiaries. The entities included in the scope of the condensed consolidated financial interim information and nature of their business is as follows:

Subsidiaries	30 June 2020 Effective ownership (%)	30 June 2019 Effective ownership (%)	Registered country	Nature of business
Pizza Restaurantları A.Ş. ("Domino's Turkey")	100	100	Turkey	Food delivery
Pizza Restaurants LLC ("Domino's Russia")	100	100	Russia	Food delivery
Fidesrus B.V. ("Fidesrus")	100	100	the Netherlands	Investment company
Fides Food Systems B.V. ("Fides Food")	100	100	the Netherlands	Investment company

Pizza Restaurants LLC is established in the Russian Federation. Domino's Russia is operating a pizza delivery network of company and franchise-owned stores in Russian Federation. Domino's Russia has a Master Franchise Agreement (the "MFA Russia") with Domino's Pizza International for the pizza delivery network in Russia until 2030.

NOTE 1 - GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES (Continued)

Pizza Restaurantları A.Ş. ("Domino's Turkey") is established in Turkey. Domino's Turkey is operating a pizza delivery network of corporate and franchised stores in Turkey. Domino's Turkey is a food delivery company, which has a Master Franchise Agreement (the "MFA Turkey") with Domino's Pizza International pizza delivery network in Turkey until 2032. The Group expects the terms of the MFAs to be extended.

Fides Food and Fidesrus are established in the Netherlands. Both Fides Food Systems and Fidesrus are acting as investment companies.

Significant changes in the current reporting period

The condensed interim consolidated financial statements have been prepared assuming that the Group will continue as a going concern and be able to realise its assets and discharge its liabilities in the normal course of business. The Group currently utilizes internally generated cash flow and bank borrowings in Turkey and Russia to meet its financing needs. The Group's Turkish operations are well established and cash generative and act as a source of liquidity for the wider Group. The Group's Russian business is still in the early stages of growth and does not yet generate cash, so is funded by local bank borrowings and intra-group cash injections, and loan guarantees from its Turkish affiliate. The Group's Russian loan facility carries financial covenants, which the Group was unable to meet in the first two quarters of 2020, mainly due to the impact of Covid-19. The Group is currently in discussions with its Russian loan provider to reset the covenants for the remainder of the year. The Group's strong liquidity position enables it to repay its bank borrowings in Russia if required, and still maintain a strong liquidity position.

The Board has been closely monitoring the Group's strategy as well as the financial and operational performance throughout the Covid-19 pandemic. There remains considerable uncertainty ahead, including the risk of additional lockdowns and a decline in consumer spending, which could result in the potential for a prolonged period of uncertainty following the Covid-19 pandemic and related market volatility. Even though this uncertainty remains, based on the Group's experience with the operational constraints during the March-June period and the resources available in the form of TRY 256 million of cash at hand and additional available bank lines of TRY 82 million, the Group has formed a judgement on a reasonable basis, that the Company will be able to continue as a going concern and, therefore, will be able to realise its assets and discharge its liabilities in the normal course of business.

The Group took certain measures to optimise its and its franchisees' liquidity during the uncertainty surrounding the pandemic, such as extending the payment terms to its suppliers, extending payment terms for its franchisees and waiving certain commissions from its franchisees.

The Group also took certain actions to minimise infection risk for both its customers and employees, such as heightened hygienic standards at its stores, commissaries and headquarters and the launch of contactless delivery, take-away and payment services.

In preparation of the condensed interim consolidated financial statements as of 30 June 2020, the Group has assessed the possible impacts of Covid-19 pandemic on the financial statements and reviewed the critical estimates and assumptions. Within this scope, the Group has tested the tangible and intangible assets, goodwill, deferred tax assets and trade receivables for possible impairment. As a result of these tests, TRY 5.3 million of impairments were recognised for tangible and intangible assets in the 30 June 2020 consolidated financials. No impairments were identified for other assets and receivables.

NOTE 2 - BASIS OF PRESENTATION OF INTERIM FINANCIAL STATEMENTS

2.1 Basis of preparation

These condensed consolidated interim financial statements for the six months period ended 30 June 2020 have been prepared in accordance with International Accounting Standard 34 (“IAS 34”) Interim Financial Reporting.

The interim report does not include all the notes of the type normally included in the annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2019 and any public announcements made by the Company during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Seasonality of operations

There is no significant seasonality effect on the Group’s revenue. According to financial year ended 31 December 2019, 47% of revenues accumulated in the first half year, with 53% accumulating in the second half.

2.1 Basis of preparation (Continued)

Consolidation of foreign subsidiaries

Financial statements of subsidiaries operating in foreign countries are prepared in the currency of the primary economic environment in which they operate. Assets and liabilities in financial statements prepared according to the Group’s accounting policies are translated into the Group’s presentation currency, Turkish Liras (‘TRY’), from the foreign exchange rate at the statement of financial position date whereas income and expenses are translated into TRY at the average foreign exchange rate. Exchange differences arising from the translation are included in the “currency translation differences” under shareholders’ equity.

The foreign currency exchange rates used in the translation of the foreign operations within the scope of consolidation are as follows:

	30 June 2020		31 December 2019		30 June 2019	
Currency	**Period End**	**Period Average**	**Period End**	**Period Average**	**Period End**	**Period Average**
Euros	7.7080	7.1322	6.6506	6.3484	6.5507	6.3445
Russian Rubles	0.0972	0.0933	0.0955	0.0872	0.0908	0.0856

NOTE 2 - BASIS OF PRESENTATION OF INTERIM FINANCIAL STATEMENTS (Continued)

2.2 New and amended international financial reporting standards as adopted by European Union

New and amended standards adopted by the Group, which are effective for the interim financial statements as at 30 June 2020

A number of new or amended standards became applicable for the current reporting period:

- Amendments to IAS 1 and IAS 8 on the definition of material
- Amendments to IFRS 3 - definition of a business
- Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest rate benchmark reform
- Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions

These standards did not have any impact on the Group's accounting policies and did not require retrospective adjustments.

The new standards, amendments and interpretations, which are issued but not effective for the interim financial statements as at 30 June 2020

- IFRS 17, 'Insurance contracts'
- Amendments to IAS 1, Presentation of financial statements' on classification of liabilities
- A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 17 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16

NOTE 3 - SEGMENT REPORTING

The business operations of the Group are organised and managed with respect to geographical positions of its operations. The information regarding the business activities of the Group as of 30 June 2020 and 2019 comprise the performance and the management of its Turkish and Russian operations and head office.

The Group has two business segments, determined by management according to the information used for the evaluation of performance and the allocation of resources, the Turkish and Russian operations. Other operations are composed of corporate expenses of Dutch companies. These segments are managed separately because they are affected by the economic conditions and geographical positions in terms of risks and returns.

NOTE 3 - SEGMENT REPORTING (Continued)

The segment analysis for the periods ended 30 June 2020 and 2019 are as follows:

1 January-30 June 2020	**Turkey**	**Russia**	**Other**	**Total**
Corporate revenue	94,947	108,822	-	203,769
Franchise revenue and royalty revenue obtained from franchisees	176,292	42,401	-	218,693
Other revenue	12,542	2,741	-	15,283
Total revenue	283,781	153,964	-	437,745
- At a point in time	***280,825***	***152,570***	***-***	***433,395***
- Over time	***2,956***	***1,394***	-	***4,350***
Operating profit	23,035	(47,271)	(4,717)	(28,953)
Capital expenditures	16,485	8,137	-	24,622
Tangible and intangible disposals	(997)	-	-	(997)
Depreciation and amortisation expenses	(24,816)	(39,191)	-	(64,007)
Adjusted EBITDA	50,379	(2,989)	(4,717)	42,673

31 December 2019	**Turkey**	**Russia**	**Other**	**Total**
Borrowings				
TRY	326,418	-	-	326,418
RUB	-	154,169	-	154,169
	326,418	**154,169**	**-**	**480,586**
Lease liabilities				
TRY	78,547	-	-	78,547
RUB	-	142,378	-	142,378
	78,547	**142,378**	**-**	**220,926**
Total	**404,965**	**296,547**	**-**	**701,512**

NOTE 3 – SEGMENT REPORTING (Continued)

1 January-30 June 2019	**Turkey**	**Russia**	**Other**	**Total**
Corporate revenue	99,232	144,538	-	243,770
Franchise revenue and royalty			-	
revenue obtained from franchisees	143,069	43,920	-	186,989
Other revenue	18,730	12,995	-	31,725
Total revenue	261,031	201,453	-	462,484
- At a point in time	***258,632***	***200,615***	***-***	***459,247***
- Over time	***2,399***	***838***	-	***3,237***
Operating profit	31,487	(4,417)	(3,456)	23,614
Capital expenditures	19,178	10,392	-	29,570
Tangible and intangible disposals	(1,840)	(2,602)	-	(4,442)
Depreciation and amortisation				
expenses	(23,356)	(31,135)	-	(54,491)
Adjusted EBITDA	55,547	27,474	(3,456)	79,565

30 June 2019	**Turkey**	**Russia**	**Other**	**Total**
Borrowings				
TRY	94,000	-	-	94,000
RUB	-	192,396	-	192,396
	94,000	**192,396**	**-**	**286,396**
Lease liabilities				
TRY	94,958	-	-	94,958
RUB	-	149,977	-	149,977
	94,958	**149,977**	**-**	**244,935**
Total	**188,958**	**342,373**	**-**	**531,331**

EBITDA, adjusted EBITDA, net debt, adjusted net debt, adjusted net income and non-recurring and non-trade income/expenses are not defined by IFRS. The amounts provided with respect to operating segments are measured in a manner consistent with that of the financial statements. These items determined by the principles defined by Group management comprise income/expenses which are assumed by the Group management to not be part of the normal course of business and are non-recurring items. These items which are not defined by IFRS are disclosed by Group management separately for a better understanding and measurement of the sustainable performance of the Group.

.

NOTE 3 – SEGMENT REPORTING (Continued)

The reconciliation of adjusted EBITDAs as of 30 June 2020 and June 2019 is as follows:

Turkey	**30 June 2020**	**30 June 2019**
Adjusted EBITDA (*)	**50,379**	**55,547**
Non-recurring and non-trade (income)/expenses per Group Management (*)		
One off non-trading costs (**)	1,449	129
Share-based incentives	1,079	575
EBITDA	**47,851**	**54,843**
Depreciation and amortisation	(24,816)	(23,356)
Operating profit	**23,035**	**31,487**

Dominos Turkey EBITDA was TRY 55.547 in 2019 and down 9.3% in 2020. This decline was primarily due to Covid-19 related costs amounting to TRY 5.825 to ensure that operations were carried out safely.

Russia	**30 June 2020**	**30 June 2019**
Adjusted EBITDA (*)	**(2,989)**	**27,474**
Non-recurring and non-trade (income)/expenses per Group Management (*)		
One off non-trading costs (**)	5,444	489
Share-based incentives	(353)	267
EBITDA	**(8,080)**	**26,718**
Depreciation and amortisation	(39,191)	(31,135)
Operating loss	**(47,271)**	**(4,417)**

Dominos Russia EBİTDA includes TRY 2.737 Covid-19 related costs. These Covid-19 related costs and the negative impact of Covid-19 on sales of Dominos Russia are the primary reasons of EBITDA down from the prior year.

(**) The reason for the significant increase in one-off non-trading costs is mainly impairments of tangible and intangible assets.

NOTE 3 - SEGMENT REPORTING (Continued)

Dutch Corporate Expenses	30 June 2020	30 June 2019
Adjusted EBITDA (*)	**(4,717)**	**(3,456)**
Non-recurring and non-trade (income)/expenses per Group Management (*)		
One off non-trading costs	-	-
EBITDA	**(4,717)**	**(3,456)**
Depreciation and amortisation	-	-
Operating loss	**(4,717)**	**(3,456)**

(*) EBITDA, adjusted EBITDA and non-recurring and non-trade income/expenses are not defined by IFRS. These items are determined by the principles defined by the Group management and comprise income/expenses which are assumed by Group management to not be part of the normal course of business and are non-trading items. These items, which are not defined by IFRS, are disclosed by Group management separately for a better understanding and measurement of the sustainable performance of the Group.

The reconciliation of adjusted net income as of 30 June 2020 and 2019 is as follows:

	30 June 2020	30 June 2019
Loss for the period as reported	(68,507)	(13,584)
Non-recurring and non-trade (income)/expenses per Group Management (*)		
Share-based incentives	726	842
One-off expenses	6,893	618
Adjusted net loss for the period	**(60,888)**	**(12,124)**

(*) Adjusted net income and non-recurring and non-trade income/expenses are not defined by IFRS. Adjusted net income excludes income and expenses which are not part of the normal course of business and are non-recurring items. Management uses this measurement basis to focus on core trading activities of the business segments, and to assist it in evaluating underlying business performance.

NOTE 4 - REVENUE AND COST OF SALES

	30 June 2020	30 June 2019
Corporate revenue	203,769	243,770
Franchise revenue and royalty revenue obtained from franchisees	218,693	186,989
Other revenue	15,283	31,725
Revenue	**437,745**	**462,484**
Cost of sales	(309,339)	(305,377)
Gross profit	**128,406**	**157,107**

NOTE 5 - EXPENSES BY NATURE

	30 June 2020	30 June 2019
Employee benefit expenses	(100,498)	(96,681)
Depreciation and amortisation expenses	(64,007)	(54,491)
	(164,505)	**(151,172)**

NOTE 6 - FOREIGN EXCHANGE LOSSES, FINANCIAL INCOME AND EXPENSES

Foreign exchange gains / (losses)	**30 June 2020**	**30 June 2019**
Foreign exchange (losses) / gains, net	(8,582)	2,277
Foreign exchange gains on lease liabilities	988	-
	(7,594)	**2,277**

Financial income	**30 June 2020**	**30 June 2019**
Interest income from lease receivables	7,220	6,868
Interest income	5,444	1,396
	12,664	**8,264**

Financial expense	**30 June 2020**	**30 June 2019**
Interest expense	(29,014)	(22,587)
Interest expense on lease liabilities	(16,492)	(21,957)
Other	-	(85)
	(45,506)	**(44,629)**

NOTE 7 - LOSS PER SHARE

The reconciliation of adjusted loss per share as of 30 June 2020 and 2019 is as follows:

	30 June 2020	30 June 2019
Average number of shares existing during the period	145,372	145,372
Net loss for the period attributable to equity holders of the parent	(68,507)	(13,584)
Loss per share	**(0.47)**	**(0.09)**

The reconciliation of adjusted loss per share as of 30 June 2020 and 2019 is as follows:

	30 June 2020	30 June 2019
Average number of shares existing during the period	145,372	145,372
Net loss for the period attributable to equity holders of the parent	(68,507)	(13,584)
Non-recurring and non-trade expenses per Group Management (*)		
Share-based incentives	726	842
One-off expenses	6,893	618
Adjusted net loss for the period attributable to equity holders of the parent	(60,888)	(12,124)
Adjusted Loss per share (*)	**(0.42)**	**(0.08)**

(*) Adjusted earnings per share non-recurring and non-trade income/expenses are not defined by IFRS. The amounts provided with respect to operating segments are measured in a manner consistent with that of the financial statements. These items determined by the principles defined by the Group management comprises incomes/expenses which are assumed by the Group management that are not part of the normal course of business and are non-recurring items. These items which are not defined by IFRS are disclosed by the Group management separately for a better understanding and measurement of the sustainable performance of the Group.

There are no shares or options with a dilutive effect and hence the basic and diluted earnings per share are the same.

The loss per share presented for the period ended 30 June 2020 is based on the issued share capital of DP Eurasia N.V. at the date of its incorporation.

NOTE 8 - PROPERTY AND EQUIPMENT

	1 January 2020	Additions	Disposals	Transfers	Impairment	Currency translation adjustments	30 June 2020
Cost							
Machinery and equipment	76,825	499	-	2,200	(128)	1,394	80,790
Motor vehicles	29,975	4,147	-	-	(84)	611	34,649
Furniture and fixtures	62,552	2,978	(329)	-	-	84	65,285
Leasehold improvements	113,118	2,096	(434)	1,401	(4,595)	1,122	112,708
Construction in progress	7,425	1,654	-	(3,601)	(95)	20	5,403
	289,895	**11,374**	**(763)**	**-**	**(4,902)**	**3,231**	**298,835**
Accumulated depreciation							
Machinery and equipment	(26,380)	(6,009)	-	-	-	(659)	(33,048)
Motor vehicles	(19,601)	(4,518)	-	-	84	(476)	(24,511)
Furniture and fixtures	(28,778)	(3,764)	34	-	-	(44)	(32,552)
Leasehold improvements	(55,093)	(8,286)	80	-	1,539	(678)	(62,438)
	(129,852)	**(22,577)**	**114**	**-**	**1,623**	**(1,856)**	**(152,549)**
Net book value	**160,043**						**146,286**

For the period ended 30 June 2020, depreciation expense of TRY17,789 has been charged in cost of sales and TRY4,788 has been charged in general administrative expenses.

NOTE 8 - PROPERTY AND EQUIPMENT (Continued)

	1 January 2019	Additions	Disposals	Transfers	Currency translation adjustments	30 June 2019
Cost						
Machinery and equipment	55,668	2,960	(3,290)	1,738	9,822	66,898
Motor vehicles	32,963	334	(8,023)	-	4,843	30,117
Furniture and fixtures	62,109	3,858	(2,018)	-	523	64,472
Leasehold improvements	91,207	5,957	(3,416)	-	9,621	103,369
Construction in progress	3,024	7,409	-	(1,738)	635	9,330
	244,971	**20,518**	**(16,747)**	**-**	**25,444**	**274,186**
Accumulated depreciation						
Machinery and equipment	(17,975)	(5,113)	2,091	-	(3,110)	(24,107)
Motor vehicles	(18,218)	(4,287)	7,038	-	(2,354)	(17,821)
Furniture and fixtures	(27,848)	(3,694)	1,040	-	(187)	(30,689)
Leasehold improvements	(44,889)	(7,294)	2,260	-	(3,287)	(53,210)
	(108,930)	**(20,388)**	**12,429**	**-**	**(8,938)**	**(125,827)**
Net book value	**136,041**					**148,359**

For the period ended 30 June 2019, depreciation expense of TRY16,722 has been charged in cost of sales and TRY3,666 has been charged in general administrative expenses.

NOTE 9 - INTANGIBLE ASSETS

	1 January 2020	Additions	Disposals	Impairment	Currency translation adjustments	30 June 2020
Cost						
Key money	50,622	592	(424)	(2,342)	269	48,717
Computer software	68,672	12,656	(139)	(2,329)	608	79,468
Franchise contracts	48,485	-	-	-	-	48,485
	167,779	**13,248**	**(563)**	**(4,671)**	**877**	**176,670**
Accumulated depreciation						
Key money	(12,038)	(3,759)	205	603	(85)	(15,074)
Computer software	(28,989)	(8,652)	10	2,026	(249)	(35,854)
Franchise contracts	(45,328)	(2,424)	-	-	-	(47,752)
	(86,355)	**(14,835)**	**215**	**2,629**	**(334)**	**(98,680)**
Net book value	**81,424**					**77,990**

For the period ended 30 June 2020, amortisation expense of TRY6,286 has been charged in cost of sales and TRY8,549 has been charged in general administrative expenses.

	1 January 2019	Additions	Disposals	Currency translation adjustments	Transfers	30 June 2019
Cost						
Key money	17,456	3,519	(503)	1,948	-	22,420
Computer software	45,573	5,532	(136)	741	-	51,710
Franchise contracts	48,485	-	-	-	-	48,485
	111,514	**9,051**	**(639)**	**2,689**	**-**	**122,615**
Accumulated amortisation						
Key money	(5,342)	(3,126)	503	(582)	-	(8,547)
Computer software	(17,178)	(3,363)	8	-	-	(20,533)
Franchise contracts	(40,480)	(2,614)	-	(26)	-	(43,120)
	(63,000)	**(9,103)**	**511**	**(608)**	**-**	**(72,200)**
Net book value	**48,514**					**50,415**

For the period ended 30 June 2019, amortisation expense of TRY4,507 has been charged in cost of sales and TRY4,596 has been charged in general administrative expenses.

NOTE 10 - RIGHT OF USE ASSETS

Details of right-of-use assets as of 30 June 2020 and 31 December 2019 are as follows:

	30 June 2020	31 December 2019
Right-of-use assets		
Properties	143,609	166,147
Vehicles	2,131	14,089
	145,740	**180,236**

Details of lease receivable as of 30 June 2020 and 31 December 2019 are as follows:

	30 June 2020	31 December 2019
Lease receivables		
Current	18,364	16,618
Non-current	30,200	39,568
	48,564	**56,186**

Details of lease liabilities as of 30 June 2020 and 31 December 2019 are as follows:

	30 June 2020	31 December 2019
Lease liabilities		
Current	74,878	71,427
Non-current	146,048	184,708
	220,926	**256,135**

The movement of right-of-use assets as of 30 June 2020 and 2019 are as follows:

	2020	2019
Opening - 1 January	**180,236**	**162,446**
Depreciation	(26,595)	(25,000)
Current year additions	9,046	15,438
Current year disposals	(18,748)	(8,640)
Currency translation adjustments	1,801	22,219
Closing - 30 June	**145,740**	**166,463**

For the period ended 30 June 2020, amortisation expense of TRY 22,969 has been charged in cost of sales and TRY 3,626 has been charged in general administrative expenses (20 June 2019: TRY24,229 and TRY771, respectively).

The total amount of interest of sub-lease income is TRY 7,220 as of 30 June 2020.

As of June 2020, the total cash outflow for principle of leases and interest of leases is TRY 51,064 and TRY 9,272, respectively (30 June 2019: TRY 39,604 and TRY 15,089).

NOTE 11 – GOODWILL

	30 June 2020	31 December 2019
1 January	**47,133**	**45,195**
Currency translation impact	164	1,938
31 December	**47,297**	**47,133**

These Goodwill relates to Turkish and Russian CGUs at the amounts TRY 36,023 and RUB 11,274 respectively (31 December 2019: TRY 36,023 and RUB 9,172 respectively).

Goodwill impairment test

In accordance with IFRS and the accounting policies, the Group performs impairment tests on goodwill to assess whether impairment exists. The Group is obliged to test goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired, as goodwill is deemed to have an indefinite useful life.

In order to perform this test, management is required to compare the carrying value of the relevant cash generating unit ("CGU"), defined as stores of the Group including goodwill with its recoverable amount. The recoverable amounts of the CGU are determined based on a value in use calculation.

The recoverable amounts of CGUs are calculated based on value in use. These calculations require estimations and use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. For the purpose of assessing impairment, the discounted cash flows calculated based on the Group's revenue projections for five years are compared to the carrying value of all assets in CGUs, including allocated goodwill.

The Group prepares pre-tax cash flow forecasts derived from the most recent financial budgets approved by management for the next five years and extrapolates cash flows for the remaining term based on the average long-term growth rate of 8.5% for the Turkish market and 4.2% for the Russian market. The impact of IFRS 16 has been included in the discounted cash flow models and resulted in an increase in weighted average cost of capital.

Other key assumptions applied in the impairment tests include the expected product price, demand for the products, product cost and related expenses, which are reflected in the projected sales growth rates for the coming years. Management used projected sales growth rates of 10.3% and 16% for Turkey and Russia, respectively. Growth projections also include inflation expectations for the related CGUs. Management determined these key assumptions based on past performance and its expectations on market development. Furthermore, management applied pre-tax discount rates of 17.4% as of 30 June 2020 (22.0% as of 31 December 2019) for Turkey and 17.5% as of 30 June 2020 (17.5% as of 31 December 2019) for the Russian Federation to reflect country specific risks.

NOTE 11 – GOODWILL (continued)

Sensitivities - Turkish operations

The assumptions used for value in use calculations to which the recoverable amount is more sensitive are growth rate beyond five years and pre-tax discount rate. Management determined these key assumptions based on past performance and its expectations on market development. Further, management adopts different discount rates each year that reflect specific risks related to the Group as discount rates. Impairment loss has not been recognized as a result of the impairment tests performed with the above assumptions as at 30 June 2020. A further test with a 10% adverse change to the above assumptions did not result in any impairment loss, either.

Sensitivities - Russian operations

The assumptions used for value-in-use calculations to which the recoverable amount is more sensitive are growth rate beyond five years and pre-tax discount rate. Management determined these key assumptions based on past performance and its expectations on market development.

Impairment loss has not been recognized as a result of the impairment tests performed with the above assumptions as at 30 June 2020. A further test with a 10% adverse change to the above assumptions would result in TRY 1.1 million impairment loss.

NOTE 12 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents as of 30 June 2020 and 31 December 2019 are as follows:

	30 June 2020	**31 December 2019**
Cash	579	897
Banks	219,496	16,744
Term bank deposits (less than three months)	-	42,745
Credit card receivables	10,935	10,542
	231,010	**70,928**

Maturity term of credit card receivables are 30 days on average (31 December 2019: 30 days).

NOTE 13 - TRADE RECEIVABLES AND PAYABLES

a) Short-term trade receivables

	30 June 2020	**31 December 2019**
Trade receivables	81,476	89,419
Post-dated cheques (*)	19,338	27,154
	100,814	**116,573**
Less: Doubtful trade receivable	(3,044)	(2,080)
Short-term trade receivables, net	**97,770**	**114,493**

The average collection period for trade receivables is between 30 and 60 days (2019: 30 and 60 days).

b) Long-term trade receivables

	30 June 2020	**31 December 2019**
Trade receivables	3,409	7,467
Post-dated cheques (*)	9,683	15,955
	13,092	**23,422**

(*) Post-dated cheques are the receivables from franchisees resulting from store openings.

c) Short-term trade and other payables

	30 June 2020	**31 December 2019**
Trade payables	153,459	108,995
Other payables	4,653	12,183
	158,112	**121,178**

The weighted average term of trade payables is less than three months. Short-term payables with no stated interest are measured at original invoice amount unless the effect of imputing interest is significant.

NOTE 14 - TRANSACTIONS WITH RELATED PARTIES

Key management compensation

	30 June 2020	30 June 2019
Short-term employee benefits	11,144	9,780
Share-based incentives	726	841
	11,870	**10,621**

There are no loans, advance payments or guarantees given to key management.

NOTE 15 - INVENTORIES

	30 June 2020	31 December 2019
Raw materials	50,354	66,003
Other inventory	9,503	4,059
	59,857	**70,062**

NOTE 16 - OTHER ASSETS AND LIABILITIES

Other current assets

	30 June 2020	31 December 2019
Advance payments	36,854	36,217
Deposits for loan guarantees (*)	9,619	18,683
Prepaid taxes and VAT receivable	5,613	2,740
Prepaid marketing expenses	1,461	1,486
Contract assets related to franchising contracts (**)	618	482
Prepaid insurance expenses	349	1,029
Other	6,494	4,610
	61,008	**65,247**

(*) As of 30 June 2020, the loan carries a TRY 24,468 (RUB 262 million) cash deposit condition that was made as collateral by the Russian operating company. In July 2020, the Group repaid this loan in the amount of TRY 55,236 (RUB 578 million) as a result in the subsequent term the loan carries a TRY 22,360 (RUB 230 million) cash deposit collateral.

(**) The Group incurs certain costs with DP International related to set up of each franchise contract and IT systems used for recording of franchise revenue.

NOTE 16 - OTHER ASSETS AND LIABILITIES (Continued)

Other non-current assets

	30 June 2020	31 December 2019
Long-term deposits for loan guarantees (*)	15,849	15,570
Prepaid marketing expenses	9,096	8,232
Contract assets related to franchising contracts (**)	3,852	4,186
Deposits given	6,431	7,915
Other	43	-
Total	**35,271**	**35,903**

(*) As of 30 June 2020, the loan carries a TRY 24,468 (RUB 262 million) cash deposit condition that was made as collateral by the Russian operating company. In July 2020, the Group repaid this loan in the amount of TRY 55,236 (RUB 578 million) as a result in the subsequent term the loan carries a TRY 22,360 (RUB 230 million) cash deposit collateral.

(**) The Group incurs certain costs with DP International related to set up of each franchise contract and IT systems used for recording of franchise revenue.

Other current liabilities

	30 June 2020	31 December 2019
Taxes and funds payable	18,029	13,351
Social security premiums payable	12,223	4,109
Unused vacation liabilities	7,785	7,523
Volume rebate advances	6,747	7,805
Advances received from franchisees	4,814	4,057
Payable to personnel	3,529	8,044
Contract liabilities from franchising contracts (*)	2,722	2,908
Performance bonuses	-	4,961
Other expense accruals	4,897	11,254
Total	**60,746**	**64,012**

(*) The Group incurs certain revenue with set up of each franchise contract and these franchise fee revenues are deferred over the period of the franchise agreement.

Other non-current liabilities

	30 June 2020	31 December 2019
Contract liabilities from franchising contracts (*)	30,969	34,664
Long term provisions for employee benefits	2,563	2,051
Other	1,188	2,377
Total	**34,720**	**39,092**

(*) The Group incurs certain revenue with set up of each franchise contract and these franchise fee revenues are deferred over the period of the franchise agreement.

NOTE 17 - FINANCIAL LIABILITIES

	30 June 2020	31 December 2019
Short term bank borrowings	171,381	164,800
Short-term financial liabilities	**171,381**	**164,800**
Short-term portions of long-term borrowings	1,704	54
Short-term portions of long-term leases	74,878	71,427
Current portion of long-term financial liabilities	**76,582**	**71,481**
Total short-term financial liabilities	**247,963**	**236,281**
Long-term bank borrowings	307,501	153,159
Long-term leases	146,048	184,708
Long-term financial liabilities	**453,549**	**337,867**
Total financial liabilities	**701,512**	**574,148**

The Group has TRY 82 million additional uncommitted credit line as of 30 June 2020.

30 June 2020

Currency	Maturity	Interest rate (%)	Short-term	Long-term
TRY borrowings	2023	10.88	171,381	155,037
RUB borrowings	2024	9.7	1,704	152,464
			173,085	**307,501**

31 December 2019

Currency	Maturity	Interest rate (%)	Short-term	Long-term
TRY borrowings	Revolving	10.88	164,800	-
RUB borrowings	2024	9.7	54	153,159
			164,854	**153,159**

The loan agreement between Sberbank Moscow and Domino’s Russia is subject to covenant clauses whereby Group, Turkish and Russian Divisions are required to meet certain ratios. The Group was unable to meet the required ratios for the first two quarters of 2020 and has been provided with a waiver letter for the related periods by Sberbank.

NOTE 17 - FINANCIAL LIABILITIES (Continued)

The redemption schedule of the borrowings as of 30 June 2020 and 31 December 2019 is as follows:

	30 June 2020	**31 December 2019**
To be paid in one year	173,085	164,854
To be paid between one to two years	87,393	4,627
To be paid between two to three years	114,237	44,522
To be paid between three years and more	105,871	104,010
	480,586	**318,013**

The details of the finance lease liabilities as of 30 June 2020 and 31 December 2019 are as follows:

	30 June 2020	**31 December 2019**
Leases to be paid in one year	74,878	71,427
Leases to be paid between one to two years	58,541	77,979
Leases to be paid between two to three years	33,327	86,849
Leases to be paid between three years and more	54,1180	19,880
	220,926	**256,135**

The reconciliation of adjusted net debt as of 30 June 2020 and 31 December 2019 is as follows:

	30 June 2020	**31 December 2019**
Short term bank borrowings	173,085	164,854
Short-term portions of long-term lease borrowings	74,878	71,427
Long-term bank borrowings	307,501	153,159
Long-term lease and borrowings	146,048	184,708
Total borrowings	**701,512**	**574,148**
Cash and cash equivalents (-)	(231,010)	(70,928)
Net debt	**470,502**	**503,220**
Non-recurring items per Group management		
Long-term deposit for loan guarantee	(25,468)	(34,253)
Adjusted net debt (*)	**445,034**	**468,967**

(*) Net debt, adjusted net debt and non-recurring and non-trade items are not defined by IFRS. Adjusted net debt includes cash deposits used as a loan guarantee and cash paid, but not collected, during the non-working day at the year end. Management uses these numbers to focus on net debt to take into account deposits not otherwise considered cash and cash equivalents under IFRS.

NOTE 18 - COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

a) Guarantees given to third parties as of 30 June 2020 and December 2019 are as follows;

	30 June 2020	31 December 2019
Guarantee letters given	5,306	5,190
	5,306	**5,190**

b) Guarantees received for trade receivables are as follows:

	30 June 2020	31 December 2019
Guarantee notes received	41,869	39,064
Guarantee letters received	17,605	14,832
	59,474	**53,896**

c) Tax contingencies

Russian tax legislation which was enacted or substantively enacted at the end of the reporting period, is subject to varying interpretations when being applied to the transactions and activities of the Group. Consequently, tax positions taken by management and the formal documentation supporting the tax positions may be challenged by tax authorities. The Russian tax administration is gradually strengthening, including the fact that there is a higher risk of review of tax transactions without a clear business purpose or with tax incompliant counterparties.

The Russian transfer pricing legislation is generally aligned with the international transfer pricing principles developed by the Organisation for Economic Cooperation and Development (OECD) but has specific characteristics. This legislation provides the possibility for tax authorities to make transfer pricing adjustments and impose additional tax liabilities in respect of controlled transactions (transactions with related parties and some types of transactions with unrelated parties), provided that the transaction price is not arm's length.

Tax liabilities arising from transactions between companies within the Group are determined using actual transaction prices. It is possible, with the evolution of the interpretation of the transfer pricing rules, that such transfer prices could be challenged. The impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the overall operations of the Group.

The Group includes companies incorporated outside of Russia. The tax liabilities of the Group are determined on the assumption that these companies are not subject to Russian profits tax, because they do not have a permanent establishment in Russia. This interpretation of relevant legislation may be challenged but the impact of any such challenge cannot be reliably estimated currently; however, it may be significant to the financial position and/or the overall operations of the Group.

As Russian tax legislation does not provide definitive guidance in certain areas, the Group adopts, from time to time, interpretations of such uncertain areas that reduce the overall tax rate of the Group. While management currently estimates that the tax positions and interpretations that it has taken can probably be sustained, there is a possible risk that an outflow of resources will be required should such tax positions and interpretations be challenged by the tax authorities. The impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the overall operations of the Group.

NOTE 18 - COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Management will vigorously defend the Group's positions and interpretations that were applied in determining taxes recognised in these consolidated financial statements if these are challenged by the authorities.

d) Legal cases

As of 30 June 2020, the Group had three ongoing legal cases, which were opened by three franchisees in Russia. The Group does not expect any material risk in these legal cases in accordance with the opinions of its legal advisors; therefore, it has not recognised any provision for these legal cases in the consolidated interim financial statements as of 30 June 2020.

NOTE 19 - EQUITY

The shareholders and the shareholding structure of the Group at 30 June 2019 and 31 December 2018 are as follows:

	30 June 2020		**31 December 2019**	
	Share (%)	**Amount**	**Share (%)**	**Amount**
Fides Food Systems Coöperatief U.A.	32.8	11,928	32.8	11,928
Public shares	62.1	22,591	62.1	22,591
Vision Lovemark Coöperatief U.A.	4.9	1,777	4.9	1,777
Other	0.2	57	0.2	57
		36,353		**36,353**

As of 30 June 2020, the Group's 145,372,414 shares are issued and fully paid for.

The nominal value of each share is EUR0.12 (2018: EUR0.12). There is no preference stock.

As of 30 June 2020, the Group's 145,372,414 (30 June 2019: 145,372,414) shares are issued and fully paid for.

On 3 July 2017, just prior to Admission, the Company issued (i) 13,046,726 ordinary shares, with a nominal value of EUR 0.12 each, in the capital of the Company to Vision Lovemark Coöperatief U.A. and (ii) 138,037,219 ordinary shares, with a nominal value of EUR 0.12 each, in the capital of the Company to Fides Food Systems Coöperatief U.A., which was paid up by debiting the Company's share premium reserve by TRY 31,239. Also, on 3 July 2017, as part of its initial public offering ("IPO"), the Company issued 10,372,414 new ordinary shares with a nominal value of EUR 0.12 each. As a result, the Company's issued and outstanding share capital, increased to TRY 36,353 (divided into 145,372,414 ordinary shares). After IPO, 52,1% of the shares become public. The net proceeds received by the Company from the IPO is TRY 94,132 (TRY 9,075 per share). DP Eurasia's authorized share capital is EUR 60,000,000.

NOTE 19 - EQUITY (Continued)

Share premium

Share premium represents differences resulting from the incorporation of Fides Food by Fides Food Systems Coöperatief U.A. at a price exceeding the face value of those shares and differences between the face value and the fair value of shares issued at the IPO.

Ultimate controlling party

The ultimate controlling party of the Company is Turkish Private Equity Fund II L.P. There is no individual ultimately controlling the Group.

NOTE 20 - INCOME TAX

The Group is subject to taxation in accordance with the tax regulations and the legislation effective in the countries in which the Group companies operate. Therefore, provision for taxes, as reflected in the condensed consolidated financial information, has been calculated on a separate-entity basis. The tax rate used for the period to 30 June 2020 is 25% (31 December 2019: 25%).

The breakdown of cumulative temporary differences and the resulting deferred income tax assets/liabilities at 30 June 2020 and 31 December 2019 using statutory tax rates are as follows:

	30 June 2020		**31 December 2019**	
	Temporary differences	**Deferred tax assets/ (liabilities)**	**Temporary differences**	**Deferred tax assets/ (liabilities)**
Carry forward tax losses (*)	51,817	10,363	44,926	8,985
Contract liabilities from franchising contracts	31,461	6,755	34,826	7,486
Expense accruals	25,332	5,055	18,529	3,708
Unused vacation liabilities	3,445	758	3,368	741
Legal provisions	3,606	793	3,606	793
Provision for employee termination benefit	2,563	564	2,051	451
Right of use assets and lease liability	22,405	4,686	13,625	2,845
Other	1,425	229	5,868	1,222
	142,054	**29,203**	**126,799**	**26,231**
Property, equipment and intangible assets	(25,613)	(5,828)	(36,642)	(8,171)
	(25,613)	**(5,828)**	**(36,642)**	**(8,171)**
Deferred income tax assets, net		**23,375**		**18,060**

(*) Consists of carry forward losses of Domino’s Russia. Domino’s Russia has not recognised any additional tax assets on carry forward losses in 2020, the change is the result of the currency translation differences between Russian Roubles and Turkish Lira.

NOTE 21 - SHARE BASED PAYMENTS

The Phantom Option Scheme

The Phantom Option Scheme was put in place during the initial public offering in 2017 to incentivise senior members of management. The incentive plan entitles the employees to a cash payment at the date of an exit by shareholders. The amount payable will be determined based on the difference between the equity value of the entities at the time of exit and their grant dates. Granted options will only vest if certain conditions are met, including continued employment with the Group, and if there is an event of 100% exit by Fides Food Systems Coöperatief UA. and Vision Lovemark Coöperatief UA. However, shareholders have the right to exercise these plans even if they do not exit 100% of their stake and may determine the amount payable to employee's pro rata their exited shareholding.

In relation with the IPO, the shareholders used their right to partly settle the options outstanding under these plans, and 48.6% of the outstanding phantom options were settled in August 2017. As a result, this portion of the outstanding share-based incentives is fully expensed as at 31 December 2017. Subsequently, in relation with the stake sale by Fides Food Systems Coöperatief UA in February 2019, Fides Food Systems Coöperatief UA. used its right to partly settle the options outstanding pro-rata their stake sold an additional 10.8% of the outstanding phantom options were settled in the first half of 2019. The unrecognised portion of the total grant date fair value for the remaining 40.6% of the options amounts to TRY 114 and will be expensed over the remainder of the estimated vesting period.

Senior management long term incentive plan

New share incentive scheme was put in place on 7 May 2018. According to the incentive scheme employees was granted an option to acquire shares, based on performance targets of the Group for the upcoming three years, and continuing employment till the vesting time. The shares under the option will vest at the end of scheme period.

On 8 May 2018, Aslan Saranga was granted an LTIP award amounting to 279,322 shares, which will vest in May 2021 subject to achievement of an EBITDA growth target. On 3 May 2019, Aslan Saranga was granted an LTIP award amounting to 332,706 shares which will vest in May 2022 subject to achievement of an EBITDA growth target. The fair value of the LTIP awards granted in 2019 is equal to the share price on the grant date of GBP 0.88 (2018: GBP 1.878).

Under these two existing plans, amounting to TRY 726 has been charged for 30 June 2020, whereas TRY 841 has been charged for 2019 and the cumulative charge is TRY 20,696 as at 30 June 2020 (31 December 2019: TRY 19,970).

NOTE 22 - SUBSEQUENT EVENT

In July 2020, the Group repaid its Russian bank loan in the amount of TRY 55,236 (RUB 578 million) as a result in the subsequent term the loan carries a TRY 22,360 (RUB 230 million) cash deposit condition that was made as collateral by the Russian operating company.

As of 31 August 2020, the Group has obtained a new waiver letter from Sberbank which covers the quarters ending 30 September 2020 and 31 December 2020. The bank confirmed not to penalize the Group for violation of covenants for these periods following our agreement to reset the covenants based on a mutually agreed upon business plan by 1 October 2020.

On 7 September 2020, Andrew Rennie, Domino's Pizza Enterprises Limited's ex-CEO of European Operations, agreed to join the Group as Board Advisor. He obtained a call option from the major shareholder Fides Coop for 4 million DPEU shares at a strike price of 1.05p with an expiry date of 30 September 2022. The impact of this call option will be assessed at the end of 2020 and will be recognized in the 2020 full year financial statements.

Review report

To: the board of directors of DP Eurasia N.V.

Introduction

We have reviewed the accompanying condensed consolidated interim financial information for the six-month period ended 30 June 2020 of DP Eurasia N.V., Amsterdam, which comprises the condensed consolidated statement of financial position as at 30 June 2020, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows for the period then ended and the selected explanatory notes. The board of directors is responsible for the preparation and presentation of this (condensed) interim financial information in accordance with IAS 34, ‘Interim Financial Reporting’ as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Independent Auditor of the entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information for the six-month period ended 30 June 2020 is not prepared, in all material respects, in accordance with IAS 34, ‘Interim Financial Reporting’ as adopted by the European Union.

Amsterdam, 7 September 2020
PricewaterhouseCoopers Accountants N.V.

Original has been signed by drs. R.P.R. Jagbandhan RA