For Immediate Release 5 April 2022

DP Eurasia N.V.

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

Preliminary Results for the Year Ended 31 December 2021

Record online sales performance and resilient outlook

Highlights

	For the year ended 31 December		
	2021	**2020**	**Change**
	(in millions of TRY, unless otherwise indicated)		
Domino's store count	**809**	**771**	**38**
Group system sales [1]			
Group	**2,378.9**	**1,569.9**	**51.5%**
Turkey	1,704.2	1,069.1	59.4%
Russia	629.4	471.6	33.5%
Azerbaijan and Georgia	45.3	29.2	55.3%
Group system sales like-for-like growth[2]			
Group[8]	**40.6%**	**17.4%**	
Turkey	50.4%	26.0%	
Russia (based on RUB)	9.6%	-12.6%	
Revenue	**1,496.9**	**1,019.2**	**46.9%**
Turkey adjusted EBITDA[3]	**202.4**	**140.9**	**43.6%**
Russia adjusted EBITDA[3]	**23.2**	**2.3**	**907.0%**
Adjusted EBITDA[3]	**208.4**	**131.5**	**58.5%**
Adjusted net income[4]	**23.9**	**(94.0)**	**n.m.**
Adjusted net debt[5]	**622.3**	**415.0**	**50.0%**

Financial Highlights

- Group revenue up 46.9% and system sales up 51.5%, driven by like-for-like growth and store openings
  - Turkish systems sales growth of 59.4%
  - Russian system sales growth of 33.5% (7.8% based on RUB)
- Adjusted EBITDA up 58.5% to TRY 208.4 million (2020: TRY 131.5 million)
- Adjusted net income of TRY 23.9 million versus an adjusted net loss of TRY 94.0 million in 2020
- Strong liquidity position - TRY 200 million of cash on hand, including the promissory note in Sberbank, and additional available bank lines of TRY 186 million as at 31 December 2021

Operational Highlights

- 38 net store openings in the year for the Company and a record year in Turkey since 2014, with 39 openings
- Online delivery system sales(6) as a share of delivery system sales reached 80% (2020: 75%), reflecting our strong online offering and positioning
- Group online system sales(7) growth of 66.9%
  - Turkish online system sales(7) growth of 84.2%
  - Russian online system sales(7) growth of 37.6% (11.0% based on RUB)
- Product innovation and focused offering continues to attract a diverse and growing customer base
- Launch of new coffee-related brand in Turkey, COFFY, represents important growth opportunity in the long term

Current Trading

System sales growth and like-for-like growth for the twelve weeks ended 27 March 2022 compared to the same period in 2021 were as follows:

	For the twelve weeks ended
Group system sales growth(1)	**27 March 2022**
Group	**56.0%**
Turkey	56.5%
Russia	50.4%
Azerbaijan and Georgia	122.3%
Group system sales like-for-like growth(2)	
Group(8)	**37.3%**
Turkey	50.3%
Russia (based on RUB)	(4.7)%

2022 Outlook

Turkey has been experiencing high inflation over the last three years; however, the Group has consistently performed above the inflation rate during this period. Owing to management's experience in navigating through periods of high inflation, the Group expects to manage the situation to deliver long-term sustainable growth. The Group is tackling inflation via frequent price increases on its sales to consumers and franchisees whilst remaining mindful of keeping its best value for money consumer proposition and franchisee profitability.

At this stage there has been no material disruption to the Group's operations in Russia from the ongoing situation in Ukraine. Trading from the Group's 188 stores in Russia continues and the Group remains dedicated to the communities it serves. The Board has, however, determined it prudent to limit any further investment into its operations in Russia and will keep this under review going forward in light of the geopolitical situation. Furthermore, the Group has suspended royalty payments from its Russian operations until further notice.

Given the ongoing uncertainty around the geopolitical tensions regarding Russia and the high inflationary environment in Turkey, the Group is not able to provide meaningful guidance on the likely financial and operating results for the current year at this stage.

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

"On behalf of the Board, I am pleased to report another set of strong results for 2021. We increased our Group system sales and adjusted EBITDA by 51.5% and 58.5%, respectively.

"The Turkish business continues to build on its very strong performance since the second half of 2020 with a like-for-like growth rate exceeding 50% in 2021, and 2022 has started strongly as well, achieving a like-for-like growth rate of 50.3% for the twelve weeks ended 27 March 2022.

"In Russia, 2021 was a strong recovery year in which we alleviated the negative developments of the previous year. We returned to a positive like-for-like growth rate of almost 10% and increased our adjusted EBITDA. Although 2022 started somewhat sluggishly with a like-for-like growth rate of -4.7% for the twelve weeks ended 27 March 2022, it is important to note that early 2021 trading was especially strong and the corresponding period in 2022 also saw a spike in COVID-19 Omicron cases. Our Russian like-for-like growth rate for the twelve weeks ended 27 March 2022 compared to pre-COVID 2020 was 7.6%. Both markets continued to benefit from the COVID-19 inspired shift to home delivery in 2021.

"Post-year end, we have been shocked and saddened to witness the unfolding conflict involving Russia and Ukraine and the effect it has had on all of the innocent civilians across the region. The safety and welfare of all of the Group's employees and customers remains our primary priority at this time and we continue to monitor the situation closely.

"Product innovation continued in both markets. In Turkey, we introduced new pizzas, like Ocakbaşı that we mentioned in our latest trading update, as well as new side offerings, such as the extension of the oven-baked sandwich line, new chicken offerings and Döner (chawarma) products ranges. In Russia, new product launches included the pear-and-blue cheese pizza, half-and-half pizza, and a range of breads.

"Once again 2021 saw online delivery system sales increase as a percentage of total delivery system sales and both markets reached all-time high figures with 76.5% in Turkey and 92.9% in Russia. The steady increase of this mix is beneficial for us as we get to know our customers and tailor our approach with better-focused offerings.

"I am also very excited to announce the launch of our new coffee shop and product brand, COFFY, which has opened eleven stores in Turkey. I believe COFFY will be an important contributor to our growth in the Turkish market over the coming years.

"Whilst the pandemic seems to have lost momentum in recent months, we expect general inflationary pressures and recent geopolitical developments in the region to create headwinds in 2022. Whilst the Board is cognisant of these facts, it expects a resilient performance for 2022."

<u>Enquiries</u>

DP Eurasia N.V.	
Selim Kender, Chief Strategy Officer	+90 212 280 9636
İlknur Kocaer, CFA, Investor Relations Director	
Buchanan (Financial Communications)	
Richard Oldworth / Tilly Abraham / Verity Parker	+44 20 7466 5000
	dp@buchanan.uk.com

A meeting for analysts will be held at 9.30am (GMT) on 5 April 2022 at the offices of Buchanan, 107 Cheapside, London, EC2V 6DN. If you would like to attend, please contact Buchanan via dp@buchanan.uk.com. A conference call dial-in will also be available via the details below.:

Conference call: UK Toll: +44 333 300 0804

UK Toll Free: 0800 358 9473
Participant PIN code: 58036829#
URL for international dial in numbers:
https://event.sharefile.com/d-s7bae1d9235d495a8

DP Eurasia N.V.'s preliminary 2021 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. Please refer to Note 16 in the Consolidated Financial statements for a reconciliation of these items with 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) above.

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 809 stores (607 in Turkey, 188 in Russia, ten in Azerbaijan and four in Georgia as at 31 December 2021), and operates through its owned corporate stores (24%) and franchised stores (76%). 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 year ended 31 December		
	2021	2020	Change
	(in millions of TRY, unless otherwise indicated)		
Group system sales (1)			
Group	**2,378.9**	**1,569.9**	**51.5%**
Turkey	1,704.2	1,069.1	59.4%
Russia	629.4	471.6	33.5%
Azerbaijan & Georgia	45.3	29.2	55.3%
Group system sales like-for-like growth(2)			
Group(8)	**40.6%**	**17.4%**	
Turkey	50.4%	26.0%	
Russia (based on RUB)	9.6%	-12.6%	

Domino's Store Count	As at 31 December					
	2021			2020		
	Corporate	Franchised	Total	Corporate	Franchised	Total
Turkey	100	507	607	106	462	568
Russia	94	94	188	115	75	190
Azerbaijan	-	10	10	-	9	9
Georgia	-	4	4	-	4	4
Total	**194**	**615**	**809**	**221**	**550**	**771**

DP Eurasia increased its net store count by 38 in 2021, primarily through Turkey. The Group increased its system sales by 51.5% year-on-year, driven by the strong like-for-like sales growth in Turkey and with like-for-like sales growth returning to positive territory in Russia.

The Turkish operations' system sales, representing 72% of Group system sales, increased by 59.4%. Despite the macroeconomic volatility, especially in the last quarter of the year, the Turkish business recorded very strong like-for-like growth rate throughout the year. The creative marketing campaigns stressing value-for-money, Euroleague brand sponsorship and new product launches were key to the very strong top line performance. As a result, the Turkish operations posted a like-for-like growth rate of 50.4% for the year, even though the temporary VAT reduction ended at the end of the third quarter. The Turkish store count increased by 39, the Group's best year in terms of store openings in Turkey since 2014 on the back of robust franchisee demand. Active management and optimisation of the Turkish estate, which is ordinary course of business for the Group, continued in 2021. Six stores were transferred from corporate to franchisee ownership.

The Russian operations' system sales, representing 26% of Group system sales, increased by 33.5% (7.8% based on RUB). The Russian operations had like-for-like sales growth of 9.6% for the year. The improved management team under the newly appointed CEO started to bear fruit by improving the top line. Although the like-for-like store sales did not quite reach pre-COVID levels, the Russian business encouragingly posted a positive like-for-like growth rate for the period covering the last four months of the year compared to the same period in 2019. New product launches and more focused marketing were the main drivers in the recovery in sales. The Group focused on optimising the existing store coverage areas, which resulted in a decrease of two stores for the year. 17 stores were transferred from corporate to franchisee ownership, and four stores were transferred in the opposite direction. Russian franchised store count reached 94, representing 50% of the Russian store portfolio, for the first time.

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 year ended 31 December					
		2021			**2020**		
		Turkey	**Russia**	**Total**	**Turkey**	**Russia**	**Total**
Store		23.1%	7.1%	20.1%	28.5%	10.3%	23.9%
Online	**Group's online platform**	25.1%	69.1%	36.3%	25.9%	71.4%	40.0%
	Aggregator	51.4%	23.8%	43.2%	44.3%	18.3%	35.3%
	Total online	76.5%	92.9%	79.6%	70.2%	89.7%	75.3%
Call centre		0.4%	-	0.3%	1.3%	-	0.9%
Total		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 year ended 31 December	
	2021	**2020**
Group online system sales like-for-like growth[2][7]		
Group[8]	**48.8%**	**45.2%**
Turkey	60.3%	54.4%
Russia (based on RUB)	12.4%	13.1%

The Group's like-for-like growth continues to be driven mainly by the performance of its online ordering platforms. Online delivery system sales as a share of delivery system sales reached 79.6% for the year, which represents a 4.3 percentage point increase on a year-on-year basis.

In Turkey, online system sales like-for-like growth for the period was 60.3%, as a result of which online delivery system sales as a share of delivery system sales reached 76.5% for the period, a 6.3 percentage point increase from a year ago, aided also by introducing two new aggregators to the system.

In Russia, online system sales like-for-like growth for the period was 12.4%, as a result of which online delivery system sales as a share of delivery system sales reached 92.9% for the period, a 3.2 percentage point increase from a year ago, aided also by an increase in volumes through the aggregator.

Online system sales continued to outpace the overall system sales growth at 66.9% for the Group. Turkish online system sales grew by 84.2%, while Russian online system sales grew by 37.6% (11.0% based on RUB).

New brand launch: COFFY

During the year, the Group launched a new coffee shop brand, COFFY, in the Turkish market. There are currently a total of eleven stores in Istanbul and Ankara with six of the stores being franchises. The brand's concept is to introduce reasonably priced high-quality coffee to consumers at three different prices depending on the size of the product, including the food products.

Financial Review

	For the year ended 31 December		
	2021	**2020**	**Change**
	(in millions of TRY)		
Revenue	**1,496.9**	**1,019.2**	**46.9%**
Cost of sales	(986.1)	(689.8)	43.0%
Gross Profit	**510.8**	**329.4**	**55.1%**
General administrative expenses	(215.7)	(161.7)	33.4%
Marketing and selling expenses	(252.2)	(169.5)	48.8%
Other operating expenses, net	(11.4)	(7.7)	48.6%
Operating profit/(loss)	**31.5**	**(9.5)**	**n.m.**
Foreign exchange gains/(losses)	82.2	(16.4)	n.m.
Financial income	18.8	23.2	-18.9%
Financial expense	(99.8)	(90.8)	9.9%
Profit/(Loss) before income tax	**32.7**	**(93.6)**	**n.m.**
Tax expense	(48.7)	(14.0)	248.9%
Loss for the period	**(16.0)**	**(107.6)**	**n.m.**
Turkey adjusted EBITDA(3)	**202.4**	**140.9**	**43.6%**
Russia adjusted EBITDA(3)	**23.2**	**2.3**	**907.0%**
Adjusted EBITDA(3)	**208.4**	**131.5**	**58.5%**
Adjusted net income(4)	**23.9**	**(94.0)**	**n.m.**
Adjusted net debt(5)	**622.3**	**415.0**	**50.0%**

Revenue

Group revenue grew by 46.9% to TRY 1,496.9 million. In the Group's Turkish segment, which includes the Azerbaijani and Georgian businesses, revenue grew by 53.2% to TRY 1,031.6 million, whilst Russian segment revenue increased by 34.6% to TRY 465.3 million.

Adjusted EBITDA

The Group's adjusted EBITDA increased by 58.5% to TRY 208.4 million. Adjusted EBITDA for the Turkish segment was TRY 202.4 million, a year-on-year increase of 43.6%, and adjusted EBITDA for the Russian segment was TRY 23.2 million, a significant increase from the almost breakeven level of TRY 2.3 million a year ago. Additionally, costs relating to our Dutch corporate expenses reduced adjusted EBITDA by TRY 17.3 million in 2021. The comparable adverse effect of this item was TRY 11.7 million in 2020, with the increase in 2021 primarily due to the devaluation of the TRY against the EUR and the GBP.

In 2021, the Group's adjusted EBITDA margin as a percentage of system sales was 8.8% compared to 8.4% in 2020. The main reason for the slight increase was the improved performance in Russia.

Adjusted EBITDA margin as a percentage of system sales for the Turkish segment recorded a decrease to 11.6% from 12.8%, primarily due to increased marketing and inflationary pressure in supply costs.

The Russian segment margin increased to 3.7% from 0.5%. The main reason for the increase is the operating leverage created on the fixed costs through increase in sales. The Board continues to remain confident in the medium and long-term potential of the Russian market for DP Eurasia subject to the resolution of the conflict in Ukraine.

Adjusted net income

For the year ended 31 December 2021, adjusted net income turned positive at TRY 23.9 million. The main reasons for the improvement were the improved adjusted EBITDA performance as explained previously, the switch to a foreign exchange gain in 2021 from a foreign exchange loss in 2020 and an increase in financial income. The Group does not have any hard currency denominated bank borrowings; however, the Group recorded a foreign exchange gain of TRY 82.2 million due to the intragroup loans made between different jurisdictions versus a foreign exchange loss of TRY 16.4 million in the previous year.

Capital expenditure and Cash conversion

The Group invested TRY 55.5 million of capital expenditure in 2021. The Turkish segment capital expenditure was TRY 39.8 million and the Russian segment capital expenditure amounted to TRY 15.7 million (RUB 132 million).

Cash conversion (defined as (adjusted EBITDA (excluding IFRS 16) - capital expenditure)/adjusted EBITDA (excluding IFRS 16))) for the period was 58.6% (2020: 39.2%) for the Group as a result of prudent capital expenditure management and improved adjusted EBITDA performance and 77.7% (2020: 75.8%) for the Turkish segment as a result of its strong performance. The Russian segment had negative cash conversion due to its negative adjusted EBITDA.

Adjusted net debt and Leverage

The Group's adjusted net debt at 31 December 2021 was TRY 622.3 million, representing an increase of 50.0% from 31 December 2020. The Group's bank borrowings continue to be denominated in its operational currencies of TRY and RUB. As at 31 December 2021, 61% of the Group's bank borrowings were denominated in TRY while the remainder is denominated in RUB.

The Group continues its prudent and conservative approach to debt management. Its leverage ratio (defined as adjusted net debt / adjusted EBITDA) was 3.0x as at 31 December 2021 (2020: 3.2x). Whilst the Group's leverage ratio had decreased to 2.5x as at 30 June 2021, the increase in the second half of the year was primarily due to the appreciation of the RUB against the TRY and increased inventory and advance levels to limit the upward pressure in supply prices.

The Group continues to have a strong liquidity position, having access to cash at hand and additional borrowing capacity available from its Turkish banks. As at 31 December 2021, the Group had TRY 200 million of cash on hand, including the promissory note in Sberbank, and additional available bank lines of TRY 186 million.

The Group's sufficient liquidity position enables it to prepay its bank borrowings in Russia, despite the recent devaluation of TRY, if required, and still maintain a strong liquidity position. The Group obtained a waiver from Sberbank with respect to its covenants for all four quarters of 2022 and is in negotiations to reset the covenants or repay the remaining loan. The principal outstanding under the Sberbank loan currently amounts to RUB 0.9 billion, of which RUB 0.2 billion is supported by a cash collateral deposit.

Shareholder update

Jubilant FoodWorks Limited ("JFL"), through its wholly-owned subsidiary Jubilant FoodWorks Netherlands B.V., increased its shareholding to 41.3% from their initial purchase of 32.8% on 9 March 2021 via a reverse bookbuild process and open market purchases.

Board composition

The Board has decided to appoint two additional independent non-executive directors and is in advanced stages of appointing the first. During this process and following the 2022 AGM, JFL has agreed to reduce their representation from three board directors to two.

Takeover protection for minority shareholders

As a temporary measure, the Company has entered into an amendment to the existing relationship agreement between it and its major shareholder, Fides Food Systems Coöperatief U.A. ("Fides") (an indirect subsidiary of JFL) (the "Relationship Agreement"). Under the Relationship Agreement, Fides or a nominee in its group must (subject to certain exceptions) launch a takeover offer for all of the issued share capital of the Company if it, its affiliates or such persons acting in concert with it, own shares resulting in their aggregate holding being 50% or more of the Company's issued share capital.

As a longer-term measure, the Company has agreed to convene an EGM on 13 April 2022 at which it will propose that such shareholder protection is embedded in the articles of association of the Company. Fides has agreed that it and its related parties shall vote in favour of such a resolution. If approved at the EGM, the requirement to launch a mandatory offer will be applicable to any investor (and not only Fides) which acquires 50% or more of the Company's issued share capital.

Amsterdam, 4 April 2022

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
Shyam S. Bhartia*
Hari S. Bhartia*
Pratik R. Pota*
David Adams*

* Non-Executive Directors

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 year ended 31 December			
	2021		2020	
Currency	**Period End**	**Period Average**	**Period End**	**Period Average**
EUR/TRY	14.682	10.423	9.008	8.014
RUB/TRY	0.173	0.119	0.098	0.096
EUR/RUB	84.070	87.188	90.682	82.408
GBP/TRY	17.453	12.116	9.944	8.983

Delivery – Take away / Eat in mix

	For the year ended 31 December					
	2021			2020		
	Turkey	**Russia**	**Total**	**Turkey**	**Russia**	**Total**
Delivery	78.5%	77.8%	78.2%	72.5%	77.7%	74.0%
Take away / Eat in	21.5%	22.2%	21.8%	27.5%	22.3%	26.0%
Total[(2)]	100%	100%	100%	100%	100%	100%

Convenience Translation of Key Figures into GBP*

	For the year ended 31 December		
	2021	**2020**	**2019**
	(in millions of GBP)		
System sales	196.5	174.8	189.6
Revenue	123.5	113.4	135.7
Adjusted EBITDA	17.2	14.6	26.3
Adjusted net income	2.0	(10.5)	(0.9)
Adjusted net debt	35.7	41.7	60.3

* System sales, Revenue, Adjusted EBITDA and Adjusted income are converted at the period average GBP/TRY exchange rates of 12.116, 8.983, and 7.227 for 2021, 2020 and 2019, respectively. Adjusted net debt is converted at the period end GBP/TRY exchange rates of 17.453, 9.944, and 7.777 for 2021, 2020 and 2019, respectively.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the years ended 31 December 2021 and 2020

	Notes	2021	2020
Revenue	4	**1,496,914**	1,019,163
Cost of sales	4	**(986,106)**	(689,762)
Gross profit		**510,808**	329,401
General administrative expenses		**(215,679)**	(161,728)
Marketing and selling expenses		**(252,157)**	(169,515)
Other operating income	6	**31,235**	15,053
Other operating expense	6	**(42,665)**	(22,743)
Operating profit/ (loss)		**31,542**	(9,532)
Foreign exchange income/ (losses)	7	**82,166**	(16,419)
Financial income	7	**18,798**	23,166
Financial expense	7	**(99,790)**	(90,829)
Profit/ (loss) before income tax		**32,716**	(93,614)
Income tax expense	17	**(38,591)**	(22,201)
Deferred tax income	17	**(10,148)**	8,232
Loss for the period		**(16,023)**	(107,583)
Other comprehensive (expense)/ income		**(121,586)**	10,162
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		**(1,307)**	(1,179)
- Tax income of these obligations		**327**	236
- Remeasurements of post-employment benefit obligations, net		**(980)**	(943)
Items that may be reclassified to profit or loss			
- Currency translation differences		**(120,606)**	11,105
Total comprehensive loss		**(137,609)**	(97,421)
Loss per share (1)	8	**(0.1102)**	(0.7401)

(1) Amounts represent the basic and diluted earnings per share.

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 December 2021

Assets	Notes	31 Dec 2021	31 Dec 2020
Trade receivables	13	**13,657**	16,707
Lease receivables	15	**69,455**	24,674
Right-of-use assets	11	**151,725**	112,895
Property and equipment	9	**139,295**	131,203
Intangible assets	10	**75,803**	73,516
Goodwill		**54,575**	47,413
Deferred tax assets	17	**30,019**	26,500
Other non-current assets	15	**40,257**	40,256
Non-current assets		**574,786**	473,164
Cash and cash equivalents	12	**164,412**	109,036
Trade receivables	13	**159,970**	107,760
Lease receivables	15	**22,057**	16,621
Inventories		**133,088**	61,744
Other current assets	15	**116,610**	73,488
Current assets		**596,137**	368,649
Total assets		**1,170,923**	841,813
Equity			
Paid in share capital		**36,353**	36,353
Share premium		**119,286**	119,286
Contribution from shareholders		**22,573**	20,600
Other reserves not to be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		**(4,514)**	(3,534)
Other reserves to be reclassified to profit or loss			
- Currency translation differences		**(131,789)**	(11,183)
Retained earnings		**(163,938)**	(147,915)
Total equity		**(122,029)**	13,607
Liabilities			
Financial liabilities	16	**204,320**	193,015
Lease liabilities	16	**211,226**	110,549
Long-term provisions for employee benefits	15	**4,190**	2,874
Other non-current liabilities	15	**50,775**	39,867
Non - current liabilities		**470,511**	346,305
Financial liabilities	16	**336,178**	167,181
Lease liabilities	16	**70,523**	72,476
Trade payables	13	**297,548**	173,359
Current income tax liabilities	17	**12,791**	8,931
Provisions		**5,421**	5,740
Other current liabilities	15	**99,980**	54,214
Current liabilities		**822,441**	481,901
Total liabilities		**1,292,952**	828,206
Total liabilities and equity		**1,170,923**	841,813

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2021

	Share capital	Share premium	Contribution from shareholders	Remeasurement of post-employment benefit obligations	Currency translation differences	Retained earnings	Total equity
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	-	-	-	(943)	-	-	(943)
Currency translation adjustments	-	-	-	-	11,105	-	11,105
Total loss for the period	-	-	-	-	-	(107,583)	(107,583)
Total comprehensive loss	-	-	-	(943)	11,105	(107,583)	(97,421)
Share-based incentive plans cancelled	-	-	(833)	-	-	-	(833)
Share-based incentive plans	-	-	1,463	-	-	-	1,463
Balances at 31 December 2020	36,353	119,286	20,600	(3,534)	(11,183)	(147,915)	13,607
Balances at 1 January 2021	**36,353**	**119,286**	**20,600**	**(3,534)**	**(11,183)**	**(147,915)**	**13,607**
Remeasurements of post-employment benefit obligations, net	**-**	**-**	**-**	**(980)**	**-**	**-**	**(980)**
Currency translation adjustments	**-**	**-**	**-**	**-**	**(120,606)**	**-**	**(120,606)**
Total loss for the period	**-**	**-**	**-**	**-**	**-**	**(16,023)**	**(16,023)**
Total comprehensive loss	**-**	**-**	**-**	**(980)**	**(120,606)**	**(16,023)**	**(137,609)**
Share-based incentive plans	**-**	**-**	**1,973**	**-**	**-**	**-**	**1,973**
Balances at 31 December 2021	**36,353**	**119,286**	**22,573**	**(4,514)**	**(131,789)**	**(163,938)**	**(122,029)**

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

	Notes	31 December 2021	31 December 2020
Profit/(loss) before income tax		**32,716**	(93,614)
Adjustments for:			
Depreciation	9-11	**106,766**	98,185
Amortisation	10	**34,807**	29,237
Adjustments for doubtful receivables	13	**(2,128)**	2,183
(Gain)/loss on sale of property and equipment	6	**489**	753
Performance bonus accrual		**18,650**	9,619
Non-cash employee benefits expense – share-based payments		**1,973**	630
Interest income	7	**(18,798)**	(23,166)
Interest expense	7	**83,527**	85,986
Impairment of tangible and intangible assets	6	**20,576**	11,118
Changes in operating assets and liabilities			
Changes in trade receivables	13	**(47,032)**	11,489
Changes in other receivables and assets	15	**(38,885)**	(11,148)
Changes in inventories		**(71,344)**	8,318
Changes in contract assets	15	**(4,238)**	(502)
Changes in contract liabilities	15	**21,568**	6,411
Changes in trade payables	13	**124,189**	52,181
Changes in other payables and liabilities	15	**25,765**	(18,071)
Income taxes paid	17	**(34,731)**	(22,224)
Performance bonuses paid		**(9,619)**	(4,047)
Cash flows generated from operating activities		**244,251**	143,338
Purchases of property and equipment	9	**(21,319)**	(15,915)
Purchases of intangible assets	10	**(34,192)**	(26,450)
Disposals from sale of tangible and intangible assets	9-10	**13,232**	2,967
Cash flows used in investing activities		**(42,279)**	(39,398)
Interest paid		**(46,648)**	(39,894)
Interest on leases paid		**(5,159)**	(5,311)
Interest received		**6,936**	9,953
Loans obtained	16	**302,054**	299,497
Loans paid	16	**(209,513)**	(286,386)
Payment of lease liabilities	16	**(72,634)**	(50,911)
Cash flows (used in)/generated from financing activities		**(24,964)**	(73,052)
Effect of currency translation differences		**(121,632)**	7,220
Net increase in cash and cash equivalents		**55,376**	38,108
Cash and cash equivalents at the beginning of the period	12	**109,036**	70,928
Cash and cash equivalents at the end of the period	12	**164,412**	109,036

The accompanying notes form an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2021

Note 1 – The Group's organisation and nature of activities
DP Eurasia N.V. (the "Company"), a public limited company, having its statutory seat in Amsterdam, the Netherlands, was incorporated under the law of the Netherlands on 18 October 2016. Upon incorporation, Fides Food Systems Coöperatief U.A. and Vision Lovemark Coöperatief U.A. contributed and transferred all shares in Fidesrus B.V. and Fides Food Systems B.V. and their subsidiaries to the Company. From this point forward, the consolidated Group was formed. This was a transaction under common control.

The consolidated financial statements of DP Eurasia N.V. have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The consolidated financial statements also comply with the financial reporting requirements included in Title 9 of Book 2 of the Dutch Civil Code, as far as applicable.

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

The management report within the meaning of Article 391 of Book 2 of the Dutch Civil Code consists of the following parts of the Annual Report:

- Overview: At a glance, Highlights and Key financial figures;
- Management report: Chairman's statement, Competitive advantages, Vision and strategy, Message from the CEO, Key events, Business model, People, Product, Digital, Strategic review, Group structure and Markets, Remuneration report, Directors' remuneration policy, Annual remuneration report, Board, Leadership team, Board attendance and composition, Corporate governance report, How we manage risk, Board declaration and Shares and shareholders;
- Group financial statements: Consolidated statement of comprehensive income, Consolidated statement of financial position, Consolidated statement of changes in equity, Consolidated statement of cash flows and Notes to the consolidated financial statements;
- Company financial statements: Company income statement, Company balance sheet and Notes to the Company financial statements; and
- Additional information: Independent auditor's report, Contacts and Glossary.

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

As at 31 December 2021, the Group holds franchise operating and sub-franchising rights in 809 stores (615 franchised stores, 194 corporate-owned stores) (31 December 2020: 771 stores (550 franchised stores, 221 corporate-owned stores)).

The consolidated financial statements as at and for the period ended 31 December 2021 have been approved and authorised for issue on 4 April 2022 by authorisation of the Board. The financial statements are subject to adoption by the Annual General Meeting.

On 19 February 2021, Jubilant FoodWorks Limited, the largest company in India, and Fides Food Systems Coöperatief U.A. announced that Jubilant FoodWorks Limited and its wholly owned subsidiary, Jubilant FoodWorks Netherlands B.V., had entered into a purchase agreement with Turkish Private Equity Fund II L.P. to fully acquire Fides Food Systems Coöperatief U.A., which holds 32.81% of the ordinary share capital of DP Eurasia, for a price of approximately GBP 24.80 million. The transaction was closed on 9 March 2021.

Subsidiaries
The Company has a total of four fully owned subsidiaries. These entities and the nature of their businesses are as follows:

Subsidiaries	**2021 Effective ownership (%)**	2020 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

Domino’s Russia is established in the Russian Federation. Domino’s Russia is operating a pizza delivery network of corporate and franchised stores in the 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.

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 for the 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.

Note 2 – Basis of presentation of consolidated financial statements

2.1 Principles of consolidation

The consolidated financial statements include the parent company, DP Eurasia N.V. and its subsidiaries for the year ended 31 December 2021. Subsidiaries are fully consolidated from the date on which control is transferred to the Company (the “acquisition date”).

Basis of consolidation
The consolidated financial statements include the accounts of the Group on the basis set out in the sections below. The financial results of the subsidiaries are fully consolidated from the date on which control is transferred to the Group or deconsolidated from the date that control ceases.

Subsidiaries are all companies over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity.

The subsidiaries fully consolidated, the proportion of ownership interest and the effective interest of the Group in these subsidiaries as at 31 December 2021 are disclosed in Note 1.

The result of operations of subsidiaries acquired or sold during the year are included in the consolidated statement of comprehensive income from the acquisition date or until the date of sale.

The statements of financial position and statements of comprehensive income of the subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by the Company and its subsidiaries are eliminated against the related shareholders’ equity. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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, 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:

	31 Dec 2021		31 Dec 2020	
Currency	**Period End**	**Period Average**	Period End	Period Average
Euros ("EUR")	**14.6823**	**10.4408**	9.0079	8.0138
Russian Roubles ("RUB")	**0.1730**	**0.1196**	0.0984	0.0964

2.2 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"), see Note 2.5 for the accounting of foreign currency transactions.

The consolidated financial statements are presented in TRY, which is the Group's presentation currency.

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 at 31 December 2021 and 2020 comprise the performance and the management of its Turkish and Russian operations and headquarters.

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 economic conditions and geographical positions in terms of risks and returns.

The segment analysis for the periods ended 31 December 2021 and 2020 is as follows:

1 January - 31 December 2021	**Turkey**	**Russia**	**Other**	**Total**
Corporate revenue	**283,016**	**301,357**	**-**	**584,373**
Franchise revenue and royalty revenue obtained from franchisees	**682,849**	**141,798**	**-**	**824,647**
Other revenue	**65,723**	**22,171**	**-**	**87,894**
Total revenue	**1,031,588**	**465,326**	**-**	**1,496,914**
- At a point in time	***1,022,988***	***462,456***	***-***	***1,485,444***
- Over time	***8,600***	***2,870***	***-***	***11,470***
Operating profit/(loss)	**146,849**	**(94,876)**	**(20,431)**	**31,542**
Capital expenditures	**39,836**	**15,675**	**-**	**55,511**
Tangible and intangible disposals	**(4,339)**	**(29,958)**	**-**	**(34,297)**
Depreciation and amortisation expenses	**(53,583)**	**(87,990)**	**-**	**(141,573)**
Adjusted EBITDA[(1)]	**202,405**	**23,248**	**(17,268)**	**208,385**

31 December 2021	**Turkey**	**Russia**	**Other**	**Total**
Borrowings				
TRY	**329.177**	**-**	**-**	**329.177**
RUB	**-**	**148,827**	**62.494**	**211,321**
	329.177	**148,827**	**62.494**	**540,498**
Lease liabilities				
TRY	**142,518**	**-**	**-**	**142,518**
RUB	**-**	**139,231**	**-**	**139,231**
	142,518	**139,231**	**-**	**281,749**
Total	**471.695**	**288,058**	**62.494**	**822,247**

1 January - 31 December 2020	Turkey	Russia	Other	Total
Corporate revenue	219,499	240,199	-	459,698
Franchise revenue and royalty revenue obtained from franchisees	423,490	98,020	-	521,510
Other revenue	30,566	7,389	-	37,955
Total revenue	673,555	345,608	-	1,019,163
- At a point in time	*666,218*	*343,102*	-	*1,009,320*
- Over time	*7,337*	*2,506*	-	*9,843*
Operating profit/(loss)	91,905	(88,996)	(12,441)	(9,532)
Capital expenditures	28,733	13,632	-	42,365
Tangible and intangible disposals	(5,548)	(9,290)	-	(14,838)
Depreciation and amortisation expenses	(46,787)	(80,635)	-	(127,422)
Adjusted EBITDA[(1)]	140,903	2,309	(11,696)	131,516

31 December 2020	Turkey	Russia	Other	Total
Borrowings				
TRY	264,001	-	-	264,001
RUB	-	96,195	-	96,195
	264,001	96,195	-	360,196
Lease liabilities				
TRY	62,390	-	-	62,390
RUB	-	120,635	-	120,635
	62,390	120,635	-	183,025
Total	326,391	216,830	-	543,221

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.

The reconciliation of adjusted EBITDA for 2021 and 2020 is as follows:

Turkey	**2021**	2020
Adjusted EBITDA [(1)]	**202,405**	140,903
Non-recurring and non-trade (income)/expenses per Group management [(1)]		
One-off non-trading costs [(2)]	**-**	1,449
Share-based incentives	**1,973**	762
EBITDA	**200,432**	138,692
Depreciation and amortisation	**(53,583)**	(46,787)
Operating profit	**146,849**	91,905

Russia	**2021**	2020
Adjusted EBITDA [(1)]	**23,248**	2,309
Non-recurring and non-trade (income)/expenses per Group management [(1)]		
One-off non-trading costs [(2)]	**30,134**	11,547
Share-based incentives	**-**	(877)
EBITDA	**(6,886)**	(8,361)
Depreciation and amortisation	**(87,990)**	(80,635)
Operating (loss)/profit	**(94,876)**	(88,996)

Other	**2021**	2020
Adjusted EBITDA [(1)]	**(17,268)**	(11,696)
Non-recurring and non-trade (income)/expenses per Group management [(1)]		
Share-based incentives	**-**	745
One-off non-trading costs [(2)]	**3,163**	-
EBITDA	**(20,431)**	(12,441)
Depreciation and amortisation	**-**	-
Operating loss	**(20,431)**	(12,441)

1. 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 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.
2. The reason for the significant increase in one-off non-trading costs is mainly related to impairment expenses of the tangible and intangible assets and consultancy expenses due to cost reduction program.

The reconciliation of adjusted net income/(loss) as at 31 December 2021 and 2020 is as follows:

	2021	2020
(Loss) for the period as reported	**(16,023)**	(107,583)
Non-recurring and non-trade (income)/expenses per Group management [(1)]		
Share-based incentives	**1,973**	630
One-off expenses/(income) [(2)]	**37,905**	12,996
Adjusted net income/(loss) for the period	**23,855**	(93,957)

(1) 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.
(2) As at 31 December 2021, the one-off expenses include TRY 20,576 impairment expense of tangible and intangible assets and TRY 1,501 severance payment expenses.

The average headcount for the Group is as follows:

Category of activities	Turkey	2021 Russia	Netherlands	Turkey	2020 Russia	Netherlands
Executive and senior management	**11**	**9**	**3**	11	9	3
Store employees	**1,288**	**974**	**-**	1,243	1,745	-
Support employees	**227**	**116**	**-**	205	128	-
Commissary employees	**44**	**22**	**-**	43	24	-
Total	**1,570**	**1,121**	**3**	1,502	1,906	3

Note 4 – Revenue and cost of sales

	2021	2020
Corporate revenue	**584,373**	459,698
Franchise revenue and royalty revenue obtained from franchisees	**824,647**	521,510
Other revenue (1)	**87,894**	37,955
Revenue	**1,496,914**	1,019,163
Cost of sales	**(986,106)**	(689,762)
Gross profit	**510,808**	329,401

(1) Other revenue mainly includes handover income, IT income and other income from franchisee.

Revenue recognised in relation to contract liabilities

The movements of performance obligations and revenue recognised in relation to contract liabilities for the years ended 31 December 2021 and 2020 are as follows:

	2021	2020
As at 1 January	**38,813**	32,905
Recognised as revenue	(11,470)	(9,843)
Increases due to new franchise agreements entered	28,800	15,751
As at 31 December	**56,143**	38,813

Unsatisfied long-term franchisee contracts

The amount of performance obligations relating to ongoing contracts of the Group that will be recognised in the future is TRY 65,551 (31 December 2020: TRY 43,983). The Group expects that this amount will be recorded as revenue within 10 to 15 years.

Note 5 – Expenses by nature

	2021	2020
Employee benefit expenses (1)	**285,621**	217,368
Depreciation and amortisation expenses (1)	**141,573**	127,422
	427,194	344,790

(1) These expenses are accounted for cost of sales, general administration expenses and marketing expenses.

Note 6 – Other operating income and expenses

Other income	2021	2020
Foreign exchange gains	**12,741**	2,921
Marketing service income[(1)]	**5,079**	4,054
Interest income arising from sales with extended terms	**4,098**	3,831
Gain from sale of property and equipment	**383**	447
Other	**8,934**	3,800
	31,235	15,053

(1) The marketing income mainly includes cross-promotion income.

Other expense	2021	2020
Impairment expenses[(1)]	**20,576**	11,118
Foreign exchange losses	**11,557**	2,757
Losses from sale of property and equipment	**872**	1,200
Other	**9,660**	7,668
	42,665	22,743
Other operating (expense) / income, net	**(11,430)**	(7,690)

(1) Impairment expenses includes write-offs related to long-term assets of low-performing stores.

Note 7 – Financial income and expenses

Foreign exchange (losses)/gains	2021	2020
Foreign exchange (losses)/gains, net	**82,485**	(16,357)
Foreign exchange losses on lease liabilities	**(319)**	(62)
	82,166	(16,419)

Financial income	2021	2020
Interest income on lease receivables	**15,839**	13,804
Interest income	**2,959**	9,362
	18,798	23,166

Financial expense	2021	2020
Interest expense	**(52,476)**	(51,401)
Interest expense on lease liabilities	**(31,051)**	(34,585)
Other	**(16,263)**	(4,843)
	(99,790)	(90,829)

Note 8 –Loss per share

	31 Dec 2021	31 Dec 2020
Average number of shares existing during the period	**145,372,414**	145,372,414
Net loss for the period attributable to equity holders of the parent	**(16,023)**	(107,583)
Loss per share	**(0.1102)**	(0.7401)

The reconciliation of adjusted earnings per share as at 31 December 2021 and 2020 is as follows:

	31 Dec 2021	31 Dec 2020
Average number of shares existing during the period	**145,372,414**	145,372,414
Net loss for the period attributable to equity holders of the parent	**(16,023)**	(107,583)
Non-recurring and non-trade expenses per Group management (1)		
Share-based incentives	**1,973**	630
One-off expenses	**37,905**	12,996
Adjusted net earnings for the period attributable to equity holders of the parent	**23,855**	(93,957)
Adjusted income/(loss) per share (1)	**0.1641**	(0.6463)

1. Adjusted earnings per share 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 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.

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

Note 9 – Property and equipment

	1 Jan 2021	**Additions**	**Disposals**	**Transfers**	**Currency translation adjustments**	**31 Dec 2021**
Cost						
Machinery and equipment	**83,020**	**5,815**	**(16,967)**	**(191)**	**48,530**	**120,207**
Motor vehicles	**37,421**	**10,774**	**(13,598)**	**-**	**22,596**	**57,193**
Furniture and fixtures	**64,109**	**9,390**	**(3,404)**	**2,357**	**3,467**	**75,919**
Leasehold improvements	**110,348**	**5,772**	**(30,164)**	**(679)**	**37,040**	**122,317**
Construction in progress	**4,509**	**342**	**(236)**	**(1,487)**	**2,081**	**5,209**
	299,407	**32,093**	**(64,369)**	**-**	**113,714**	**380,845**
Accumulated depreciation						
Machinery and equipment	**(39,691)**	**(13,259)**	**11,465**	**-**	**(27,111)**	**(68,596)**
Motor vehicles	**(28,820)**	**(8,859)**	**12,042**	**-**	**(19,176)**	**(44,813)**
Furniture and fixtures	**(33,310)**	**(8,472)**	**2,074**	**-**	**(2,053)**	**(41,761)**
Leasehold improvements	**(66,383)**	**(15,803)**	**19,046**	**-**	**(23,240)**	**(86,380)**
	(168,204)	**(46,393)**	**44,627**	**-**	**(71,580)**	**(241,550)**
Net book value	**131,203**					**139,295**

As at 31 December 2021, disposals include an impairment charge of TRY 6,575 (31 December 2020: TRY 5,109). Depreciation expense of TRY 37,145 has been charged in cost of sales and TRY 9,248 has been charged in general administrative expenses.

	1 Jan 2020	Additions	Disposals	Transfers	Currency translation adjustments	31 Dec 2020
Cost						
Machinery and equipment	76,825	2,681	(548)	1,942	2,120	83,020
Motor vehicles	29,975	6,594	(87)	-	939	37,421
Furniture and fixtures	62,552	6,364	(4,945)	-	138	64,109
Leasehold improvements	113,118	6,119	(12,631)	1,789	1,953	110,348
Construction in progress	7,425	751	(98)	(3,731)	162	4,509
	289,895	22,509	(18,309)	-	5,312	299,407
Accumulated depreciation						
Machinery and equipment	(26,380)	(12,652)	258	-	(917)	(39,691)
Motor vehicles	(19,601)	(8,618)	87	-	(688)	(28,820)
Furniture and fixtures	(28,778)	(7,418)	2,947	-	(61)	(33,310)
Leasehold improvements	(55,093)	(16,644)	6,303	-	(949)	(66,383)
	(129,852)	(45,332)	9,595	-	(2,615)	(168,204)
Net book value	160,043					131,203

Amortisation expense of TRY 37,079 has been charged in cost of sales and TRY 8,253 has been charged in general administrative expenses.

Note 10 – Intangible assets

	1 Jan 2021	**Additions**	**Disposals**	**Transfers**	**Currency translation adjustments**	**31 Dec 2021**
Cost						
Key money	**44,742**	**5,145**	**(22,184)**	**-**	**16,650**	**44,353**
Computer software	**89,947**	**29,047**	**(3,765)**	**-**	**14,894**	**130,123**
Franchise contracts	**48,485**	**-**	**-**	**-**	**-**	**48,485**
	183,174	**34,192**	**(25,949)**	**-**	**31,544**	**222,961**
Accumulated amortisation						
Key money	**(17,431)**	**(10,316)**	**7,924**	**-**	**(7,459)**	**(27,282)**
Computer software	**(43,742)**	**(24,491)**	**3,470**	**-**	**(6,628)**	**(71,391)**
Franchise contracts	**(48,485)**	**-**	**-**	**-**	**-**	**(48,485)**
	(109,658)	**(34,807)**	**11,394**	**-**	**(14,087)**	**(147,158)**
Net book value	**73,516**					**75,803**

As at 31 December 2021, disposals include an impairment charge of TRY 14,001 (31 December 2020: TRY 6,009). Amortisation expense of TRY 16,001 has been charged in cost of sales and TRY 18,806 has been charged in general administrative expenses.

	1 Jan 2020	Additions	Disposals	Transfers	Currency translation adjustments	31 Dec 2020
Cost						
Key money	50,622	800	(7,183)	-	503	44,742
Computer software	68,672	25,650	(5,326)	-	951	89,947
Franchise contracts	48,485	-	-	-	-	48,485
	167,779	26,450	(12,509)	-	1,454	183,174
Accumulated amortisation						
Key money	(12,038)	(7,257)	1,942	-	(78)	(17,431)
Computer software	(28,989)	(18,823)	4,443	-	(373)	(43,742)
Franchise contracts	(45,328)	(3,157)	-	-	-	(48,485)
	(86,355)	(29,237)	6,385	-	(451)	(109,658)
Net book value	81,424					73,516

Amortisation expense of TRY 14,520 has been charged in cost of sales and TRY 14,717 has been charged in general administrative expenses.

The Group does not have any intangible assets with an indefinite useful life.

Franchise contracts

The Group has recognised franchise contracts resulting from a business combination on 26 January 2011 amounting to TRY 48,485 and accounted for them as intangible assets in its consolidated financial statements.

Note 11 – Right-of-use assets

Details of right-of-use assets as at 31 December 2021 and 2020 are as follows:

	31 Dec 2021	31 Dec 2020
Right-of-use assets		
Stores and buildings	**139,037**	104,426
Cars	**12,688**	8,469
	151,725	112,895

Details of lease receivables as at 31 December 2021 and 2020 are as follows:

	31 Dec 2021	31 Dec 2020)
Lease receivables		
Current	**22,057**	16,621
Non-current	**69,455**	24,674
	91,512	41,295

Details of lease liabilities as at 31 December 2021 and 2020 are as follows:

	31 Dec 2021	31 Dec 2020)
Lease liabilities		
Current	**70,523**	72,476
Non-current	**211,226**	110,549
	281,749	183,025

Movement of right-of-use assets

	1 Jan 2021	**Additions**	**Disposals**	**Currency translation adjustments**	**31 Dec 2021**
Right-of-use assets					
Stores and buildings	**167,003**	**57,296**	**(57,475)**	**100,582**	**267,406**
Cars	**37,798**	**7,350**	**(14)**	**-**	**45,134**
	204,801	**64,646**	**(57,489)**	**100,582**	**312,540**
Depreciation charge of right-of-use assets					
Stores and buildings	**(62,577)**	**(57,254)**	**42,013**	**(50,551)**	**(128,369)**
Cars	**(29,329)**	**(3,119)**	**2**	**-**	**(32,446)**
	(91,906)	**(60,373)**	**42,015**	**(50,551)**	**(160,815)**
	112,895				**151,725**

For the year ended 31 December 2021, depreciation expense of TRY 52,386 has been charged to the cost of sales and TRY 7,987 has been charged to general administrative expenses (31 December 2020: TRY 45,655 and TRY 7,198 respectively).

	1 Jan 2020	Additions	Disposals	Currency translation adjustments	31 Dec 2020
Right-of-use assets					
Stores and buildings	195,285	13,285	(45,409)	3,842	167,003
Cars	34,147	2,814	(87)	924	37,798
	229,432	16,099	(45,496)	4,766	204,801
Depreciation charge of right-of-use assets					
Stores and buildings	(29,145)	(44,164)	11,648	(916)	(62,577)
Cars	(20,051)	(8,689)	87	(676)	(29,329)
	(49,196)	(52,853)	11,735	(1,592)	(91,906)
	180,236				112,895

In 2021, interest expense on lease liabilities is TRY 31,051 and the total amount of interest of sub-lease expense is TRY 15,839 (31 December 2020: TRY 34,585 and TRY 13,804 respectively).

In 2021, the total cash outflow for principal of leases and interest of leases is TRY 72,634 and TRY 31,051, respectively. In 2021, the total cash inflow for interest of leases is TRY 15,839 (31 December 2020: TRY 50,911 TRY, 34,585 and TRY 13,804 respectively).

There are no low-value assets in 2021 (31 December 2020: TRY 62).

Note 12 – Cash and cash equivalents

The details of cash and cash equivalents as at 31 December 2021 and 2020 are as follows:

	31 Dec 2021	31 Dec 2020
Cash	**1,917**	1,249
Banks	**80,250**	19,867
Term bank deposits (less than three months)	**73,000**	69,500
Credit card receivables[1]	**9,245**	18,420
	164,412	109,036

2. Maturity term of credit card receivables are 30 days on average (31 December 2020: 30 days).

There is no restricted cash as at 31 December 2021 and 2020.

The details of currency of the banks are as follows:

	31 Dec 2021	31 Dec 2020
Turkish Liras	**93,448**	75,546
Russian Roubles	**17,402**	1,490
US Dollars	**38,479**	12,057
Euro	**3,921**	274
	153,250	89,367

Note 13 – Trade receivables and payables

a) Short-term trade receivables

	31 Dec 2021	31 Dec 2020
Trade receivables	**138,634**	89,091
Post-dated cheques [1]	**23,471**	22,932
	162,105	112,023
Less: Doubtful trade receivables	**(2,135)**	(4,263)
Short-term trade receivables, net	**159,970**	107,760

1. Post-dated cheques are the receivables from franchisees resulting from store openings.

The average collection period for trade receivables is between 30 and 60 days (2020: between 30 and 60 days).

Movement of provision for doubtful receivables is as follows:

	2021	2020
1 January	**4,263**	2,080
Current year (reversals) /charges	**(2,128)**	2,657
Write-off	**-**	(474)
31 December	**2,135**	4,263

The Group applied IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade, lease and other receivables based on historical losses. The Group analysed the impact of IFRS 9 and the historical losses that were incurred in 2021 also impacted the expected credit losses going forward, resulting in a disposal of TRY 588 recorded as provision for doubtful receivables (31 December 2020: TRY 955). The Group also assessed whether the historic pattern would change materially in the future. The expected credit loss applied per ageing bucket is shown as below:

	Not due	0-30 days	31-90 days	91-180 days	181-360 days	Over 360 days
	0.14%	**1.64%**	**3.73%**	**7.50%**	**17.17%**	**46.55%**

Lease receivables have no history if default and expected credit loss percentages are close to zero and its effect is immaterial, so the table below consists of only trade and other receivables.

b) Long-term trade receivables

	31 Dec 2021	31 Dec 2020
Trade receivables	**2,042**	539
Post-dated cheques (1)	**11,615**	16,168
	13,657	16,707

3. Post-dated cheques are the receivables from franchisees resulting from store openings.

c) Short-term trade and other payables

	31 Dec 2021	31 Dec 2020
Trade payables	**290,954**	168,329
Other payables	**6,594**	5,030
	297,548	173,359

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 (31 December 2021 and 2020: less than three months).

Note 14 – Transactions and balances with related parties

The details of receivables and payables from related parties as at 31 December 2021 and 2020 and transactions are as follows:

a) Key management compensation

	31 Dec 2021	31 Dec 2020
Short-term employee benefits	**36,075**	22,399
Share-based incentives	**1,973**	1,463
	38,048	23,862

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

b) Board compensation

	Executive Directors		Non-Executive Directors					
Year ending 31 December 2021	Aslan Saranga	Frederieke Slot	Peter Williams	Tom Singer	David Adams	Shyam S. Bartia	Hari S. Bartia	Pratik R. Pota
Base salary (TRY)	**3,013,325**	**1,052,560**	**1,514,515**	**350,863**	**415,987**	—	—	—
Benefits (TRY)	**1,567,657**	**239,721**	**—**	**—**	**—**	—	—	—
Pension (TRY)	**—**	**21,930**	**—**	**—**	**—**	—	—	—
Annual bonus (TRY)	**1,868,262**	**—**	**—**	**—**	**—**	—	—	—
Long-term incentives (TRY)	**1,164,469**	**—**	**—**	**—**	**—**	—	—	—
Total (TRY)	**7,613,713**	**1,314,211**	**1,514,515**	**350,863**	**415,987**	**—**	**—**	**—**
Total (local currency)	**₺7,613,713**	**£145,918**	**£125,000**	**£28,953**	**£34,333**	**—**	**—**	**—**

	Executive Directors			Non-Executive Directors			
Year ending 31 December 2020	Aslan Saranga	Frederieke Slot	Peter Williams	Tom Singer	Seymur Tari	İzzet Talu	Aksel Sahin
Base salary (TRY)	2,514,253	774,647	1,302,397	603,444	—	—	—
Benefits (TRY)	217,338	184,312	—	—	—	—	—
Pension (TRY)	—	283,681	—	—	—	—	—
Annual bonus (TRY)	—	—	—	—	—	—	—
Long-term incentives (TRY)	544,131	—	—	—	—	—	—
Total (TRY)	3,275,722	1,242,640	1,302,397	603,444	—	—	—
Total (local currency)	₺3,275,722	£153,120	£145,000	£67,183	—	—	—

Notes to the table – methodology

Base salary
This represents the cash paid or receivable in respect of the financial year.

Benefits
This represents the taxable value of all benefits paid or receivable in respect of the relevant financial year. Aslan Saranga's benefits included private health cover and company car. Frederieke Slot's benefits included medical disability allowance, mobility allowance and education, communication and IT allowances.

Pension
Frederieke Slot receives a pension allowance worth 2% of base salary. Aslan Saranga receives no pension allowance. They will additionally both receive other benefits consistent with local market practice.

Annual bonus
This represents the total bonus payable for the relevant financial year under the ADBP. In 2021, the Chief Executive Officer's annual bonus was based on 75% of the Group EBITDA and 25% on strategic measures.

Long-term incentives
This row relates to the expense recognised for the LTIP awards during the period in accordance with IFRS. Please note that in the remuneration report on pages 59,60 and 61, the value of vested LTIP awards is included in the remuneration table. Since no LTIP awards have been vested to Executive Directors during the period, this column has a zero figure in the remuneration report.

In May 2019, Aslan Saranga was granted an LTIP award over 332,706 shares vesting in May 2022 subject to achievement of adjusted EBITDA targets measured over the period 2019-2021. As the performance condition was not achieved, no shares will vest for Aslan Saranga in May 2022.

Local currency totals
Part of Aslan Saranga's remuneration and the whole of Frederieke Slot's remuneration is paid in Euros and Peter Williams' and Tom Singer's remuneration is wholly paid in Pound Sterling. Total amounts received by each individual in local currency are shown in the final row of the above table. In the other columns of the table, remuneration has been converted into Turkish Lira for consistency with the financial statements.

Note 15 – Other current/ non-current receivables, assets and liabilities

Other current receivables and assets	**31 Dec 2021**	31 Dec 2020
Advance payments (1)	**69,411**	56,208
Deposits for loan guarantees (2)	**35,527**	1,437
Lease receivables	**22,057**	16,621
Prepaid marketing expenses	**3,275**	3,001
Contract assets related to franchising contracts (3)	**1,317**	879
Prepaid insurance expenses	**1,105**	1,532
Prepaid taxes and VAT receivable	**17**	4,175
Other (4)	**5,958**	6,256
Total	**138,667**	90,109

4. As at 31 December 2021 and 2020, advance payments are composed of advances given to suppliers for purchasing raw materials and other services.
5. In 2021, the Group repaid a portion of its loans to Sberbank Moscow and the TRY 35,527 (RUB 205 million) cash deposit condition that was made as collateral by Fidesrus.
6. The Group incurs certain costs with Domino's Pizza International related to the set up of each franchise contract and IT systems used for recording of franchise revenue.
7. As at 31 December 2021 and 2020, other includes job and personnel advances, short-term security deposits and other prepayments such as subscriptions and travel expenses.

Other non-current receivables and assets	31 Dec 2021	31 Dec 2020
Lease receivables	**69,455**	24,674
Prepaid marketing expenses	**22,259**	12,620
Deposits given	**9,907**	5,585
Contract assets related to franchising contracts (1)	**8,091**	4,291
Long-term deposits for loan guarantees	**-**	17,760
Total	**109,712**	64,930

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

Other current liabilities	31 Dec 2021	31 Dec 2020
Performance bonuses	**18,650**	9,619
Contract liabilities from franchising contracts(1)	**17,633**	5,672
Payable to personnel	**12,322**	6,368
Unused vacation liabilities	**11,839**	7,977
Taxes and funds payable	**8,755**	5,212
Social security premiums payable	**6,113**	4,077
Advances received from franchisees	**4,918**	4,239
Volume rebate advances	**3,424**	5,364
Other expense accruals	**16,326**	5,686
Total	**99,980**	54,214

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

Other non-current liabilities	31 Dec 2021	31 Dec 2020
Contract liabilities from franchising contracts(1)	**47,918**	38,311
Unearned revenue	**155**	170
Long-term provisions for employee benefits	**4,190**	2,874
Other	**2,702**	1,386
Total	**54,965**	42,741

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

Note 16 – Financial liabilities

	31 Dec 2021	31 Dec 2020
Short-term bank borrowings	**226,342**	54,088
Short-term financial liabilities	**226,342**	54,088
Short-term portions of long-term borrowings	**109,836**	113,093
Short-term portions of long-term leases	**70,523**	72,476
Current portion of long-term financial liabilities	**180,359**	185,569
Total short-term financial liabilities	**406,701**	239,657
Long-term bank borrowings	**204,320**	193,015
Long-term leases	**211,226**	110,549
Long-term financial liabilities	**415,546**	303,564
Total financial liabilities	**822,247**	543,221

As at 31 December 2021, the fair value of the financial liabilities is TRY 740,308 (31 December 2020: TRY 532,408).

The summary information of short-term and long-term bank borrowings is as follows:

31 December 2021 Currency	**Maturity**	**Interest rate (%)**	**Short-term**	**Long-term**
TRY borrowings	**Revolving**	**19.14%**	288.914	40.263
RUB borrowings	**2024**	**9.70%-14.30%**	47.264	164.057
			336,178	**204,320**

31 December 2020 Currency	Maturity	Interest rate (%)	Short-term	Long-term
TRY borrowings	Revolving	10.48%	154,960	109,041
RUB borrowings	2024	9.70%	12,221	83,974
			167,181	193,015

The loan agreement between Sberbank Moscow and Domino's Russia is subject to covenant clauses whereby the Group, Domino's Turkey and Domino's Russia are required to meet certain ratios. The financial indicator of:

- Domino's Russia, which requires the ratio of financial debt to adjusted EBITDA for the relevant period, should not be more than 3.0;
- Domino's Turkey, which requires the ratio of financial debt to adjusted EBITDA for the relevant period, should not be more than 2.5; and
- the Group, which requires the ratio of financial debt to adjusted EBITDA for the relevant period, should not be more than 3.5.

As at 31 December 2021, Sberbank has waived the covenant conditions for 2021, as well as for all quarters of 2022.

The redemption schedule of the borrowings as at 31 December 2021 and 2020 is as follows:

	31 Dec 2021	31 Dec 2020
To be paid in one year	**336,178**	167,181
To be paid between one to two years	**95,076**	63,762
To be paid between two to three years	**109,244**	76,941
To be paid in three years and more	**-**	52,312
	540,498	360,196

The redemption schedule of the leases as at 31 December 2021 and 2020 is as follows:

	31 Dec 2021	31 Dec 2020
Leases to be paid in one year	**70,523**	72,470
Leases to be paid between one to two years	**69,684**	37,051
Leases to be paid between two to three years	**58,067**	28,403
Leases to be paid in three years and more	**83,475**	45,101
	281,749	183,025

As at 31 December 2021 and 2020, the net financial liabilities reconciliation is as follows:

	31 Dec 2021	31 Dec 2020
Cash and cash equivalents	**164,412**	109,036
Financial liabilities and leases to be paid in one year	**(406,701)**	(239,651)
Financial liabilities and leases to be paid in one to five years	**(415,546)**	(303,570)
	(657,835)	(434,185)

	31 Dec 2021	31 Dec 2020
Cash and cash equivalents	**164,412**	109,036
Financial liabilities and leases – fixed rate	**(822,247)**	(543,221)
	(657,835)	(434,185)

31 December 2021	**Short-term financial liabilities and leases**	**Long-term financial liabilities and leases**	**Total**
1 January financial liabilities	**(239,657)**	**(303,564)**	**(543,221)**
Net cash flow effect, loans received	**(336,018)**	**33,963**	**(302,054)**
Net cash flow effect, loans paid	**209,512**	**-**	**209,512**
Net cash flow effect, leasing payments	**72,634**	**-**	**72,634**
Other non-cash transactions (*)	**(62,229)**	**(64,646)**	**(126,875)**
Currency translation adjustments	**(50,943)**	**(81,299)**	**(132,242)**
31 December financial liabilities	**(406,701)**	**(415,546)**	**(822,247)**

(*) Other non-cash transactions are comprised of new lease additions, cancellations and/or modifications.

31 December 2020	Short-term financial liabilities and leases	Long-term financial liabilities and leases	Total
1 January financial liabilities	(236,281)	(337,867)	(574,148)
Net cash flow effect, loans received	(201,166)	(98,331)	(299,497)
Net cash flow effect, loans paid	151,867	134,519	286,386
Net cash flow effect, leasing payments	50,911	-	50,911
Other non-cash transactions	2,966	-	2,966
Currency translation adjustments	(7,954)	(1,885)	(9,839)
31 December financial liabilities	(239,657)	(303,564)	(543,221)

The reconciliation of adjusted net debt as at 31 December 2021 and 2020 is as follows:

	31 Dec 2021	31 Dec 2020
Short-term bank borrowings	**226,342**	54,088
Short-term portions of long-term lease borrowings	**180,359**	185,569
Long-term bank borrowings	**204,320**	193,015
Long-term lease and borrowings	**211,226**	110,549
Total borrowings	**822,247**	543,221
Cash and cash equivalents (-)	**(164,412)**	(109,036)
Net debt	**657,835**	434,185
Non-recurring items per Group management		
Long-term deposit for loan guarantee	**(35,527)**	(19,197)
Adjusted net debt [(1)]	**622,308**	414,988

11. 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 17 – Tax assets, liabilities and tax expense

Corporate 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 consolidated financial statements, has been calculated on a separate-entity basis.

The Netherlands
Dutch tax legislation does not permit a Dutch parent company and its foreign subsidiaries to file a consolidated Dutch tax return. Dutch resident companies are taxed on their worldwide income for corporate income tax purposes at a statutory rate of 25%. No further taxes are payable on this profit unless the profit is distributed.

Services incurred by Dutch parent companies may generally be divided into two kinds of services, being group services for which costs are incurred for the economic and commercial benefit of subsidiaries and shareholder services for which costs are incurred for activities provided in the capacity of the shareholder. All costs incurred by the Company are shareholder services (costs incurred for activities provided in the capacity of shareholder) and not group services (costs incurred for the economic or commercial benefit of subsidiaries).

Since shareholder services are not for the benefit of any one specific subsidiary, it is not required to re-charge these fees or costs to a subsidiary or to subsidiaries.
If certain conditions are met, income derived from foreign subsidiaries is tax exempted in the Netherlands under the rules of the Dutch participation exemption. However, certain costs such as acquisition costs are not deductible for Dutch corporate income tax purposes. Furthermore, in some cases the interest payable on loans to affiliated companies is non-deductible.

When income derived by a Dutch company is subject to taxation in the Netherlands as well as in other countries, generally avoidance of double taxation can be obtained under the extensive Dutch tax treaty network or under Dutch domestic law.

Dividend distributions are subject to 15% Dutch withholding tax. However, under the Netherlands' extensive tax treaty network, this rate can, in many cases, be significantly reduced if certain conditions are met.

Turkey
The Corporate Tax Law was amended by Law No, 5520, dated 13 June 2006. Most of the articles of the new Corporate Tax Law (No 5520) came into force on 1 January 2006. Corporate tax is payable at a rate of 25% (31 December 2020: 22%) on the total income of the Group after adjusting for certain disallowable expenses, exempt income and investment and other allowances (e,g, research and development allowance). No further tax is payable unless the profit is distributed (except for withholding tax at the rate of 19.8%, calculated on an exemption amount if an investment allowance is granted in the scope of Income Tax Law Temporary Article 61).

In accordance with the amendment to the Corporate Tax Law published in the Official Gazette numbered 31462 on 22 April 2021, the corporate tax rate in Turkey, which was 20% as at 31 March 2021, was increased to 25% for 2021 and 23% for 2022. The amendment is effective from 1 January 2021.

Companies are required to pay advance corporate tax quarterly at the rate of 25% on their corporate income in Turkey. Advance tax is payable by the 17th of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporate tax liability. If, despite offsetting, there remains a paid advance tax amount, it may be refunded or offset against other liabilities to the government.

Russia
Income taxes have been provided for in the consolidated financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge comprises current tax and deferred tax and is recognised in profit or loss for the year, except if it is recognised in other comprehensive income or directly in equity because it relates to transactions that are also recognised, in the same or a different period, in other comprehensive income or directly in equity.

Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods. Taxable profits or losses are based on estimates if financial statements are authorised prior to filing relevant tax returns. Taxes other than on income are recorded within operating expenses as established in Chapter 25 of the Tax Code of the Russian Federation. Corporate tax is payable at a rate of 20% (31 December 2020: 20%) as identified in Article 247 of the Tax Code of the Russian Federation. Special rules may apply in cases where a different from 20% tax rate is used.

Deferred income tax is provided using the balance sheet liability method for tax loss carry forwards and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In accordance with the initial recognition exemption, deferred taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction other than a business combination if the transaction, when initially recorded, affects neither accounting nor taxable profit. Deferred tax balances are measured at tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse, or the tax loss carry forwards will be utilised.

Corporate tax liability for the year consists of the following:

	31 Dec 2021	31 Dec 2020
Corporate tax calculated	**38,591**	22,201
Prepaid taxes (-)	**(25,800)**	(13,270)
Tax liability	**12,791**	8,931

Tax income and expenses included in the statement of comprehensive income are as follows:

	2021	2020
Current period corporate tax expense	**(38,591)**	(22,201)
Deferred tax income / (expense)	**(10,148)**	8,232
Total tax expense	**(48,739)**	(13,969)

The reconciliation of the tax expense in the statement of comprehensive income is as follows:

	2021	2020
Profit/(loss) before tax	**32,716**	(93,614)
Corporate tax at statutory rates (25%)	**(8,179)**	23,404
Disallowable expenses	**(28,021)**	(15,672)
Unrecognised tax losses	**(5,369)**	(15,623)
Differences in tax rates	**(4,969)**	(5,351)
Other, net	**(2,201)**	(727)
Total tax expense	**(48,739)**	(13,969)

The breakdown of cumulative temporary differences and the resulting deferred income tax assets/liabilities at 31 December 2021 and 2020 using statutory tax rates are as follows:

	31 December 2021		31 December 2020	
	Temporary differences	**Deferred tax assets/ (liabilities)**	Temporary differences	Deferred tax assets/ (liabilities)
Carry forward tax losses[1]	**72,427**	**14,485**	52,462	10,492
Contract liabilities from franchising contracts	**65,551**	**13,110**	43,983	8,797
Right-of-use assets and lease liabilities	**38,512**	**7,702**	28,835	5,767
Expense accruals	**16,326**	**4,082**	5,686	1,137
Performance bonuses accruals	**18,650**	**4,663**	9,132	1,826
Legal provisions	**5,421**	**1,084**	5,740	1,148
Unused vacation liabilities	**11,839**	**2,960**	4,021	804
Provision for employee termination benefit	**4,190**	**838**	2,874	575
Other	**(64,910)**	**(12,982)**	4,441	1,507
	168,006	**35,942**	157,174	32,053
Property, equipment and intangible assets	**(19,421)**	**(5,923)**	(27,763)	(5,553)
	(19,421)	**(5,923)**	(27,763)	(5,553)
Deferred income tax assets, net		**30,019**		26,500

12. 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 and 2021, the change is the result of the currency translation differences between Russian Roubles and Turkish Lira.

Deferred income tax assets recognition of Fidesrus

Deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Various factors are considered to assess the probability of the future utilisation of deferred tax assets, including past operating results, operational plan, expiration of tax losses carried forward, and tax planning strategies. If actual results differ from these estimates or if these estimates must be adjusted in future periods, the financial position, results of operations and cash flows may be negatively affected. If the assessment of future utilisation of deferred tax assets must be reduced, this reduction will be recognised in the income statement.

Based on the change in the tax code in the Russian Federation after 31 December 2015, previously applied limitation on carry forward tax losses for a ten-year period has been abolished and any losses incurred since 2007 will be carried forward until fully recognised.

Domino's Russia recognises tax assets for the tax losses carried forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable. Domino's Russia recognises deferred income tax assets arising from tax losses, tax discounts and other temporary differences with the estimates and assumptions relying on Domino's Russia management's ten-year business plan and potential growth opportunities in Russia.

Movement of the deferred tax for the years ended 31 December 2021 and 2020 are as follows:

	31 Dec 2021	31 Dec 2020
Balance at the beginning of the year	**26,500**	18,060
Charged to the statement of income	**(10,148)**	8,232
Currency translation difference	**13,340**	(28)
Charged to other comprehensive income	**327**	236
Balance at the end of the year	**30,019**	26,500

Note 18 – Subsequent events

Conflict in Ukraine

- The conflict between Russia and Ukraine has been increasing the tension in the region, negatively affecting commodity and financial markets and increasing volatility, especially the exchange rates. In addition to this, Russian economy has faced heavy sanctions imposed mainly by the Western countries.

  To minimise the impact of unstable market conditions and sanctions, the Russian financial authorities introduced new measures to support domestic financial stability and protect the national currency. However, so far, precautions which have been taken could not bring stability to the markets and prevent the depreciation on RUB. As at the report's signing date, RUB has lost more than 8% of its value against USD compared to the year-end rates.

  The European Union announced an important financial restriction on Russia with a new ban that blocks several Russian banks from using SWIFT system. As at reporting date, the Group maintains its financial operations in this territory through its subsidiaries established and operating in the Russian Federation. Accordingly, none of the sanctions announced to date preclude the Group's Russian subsidiaries to carry out any transactions with those financial institutions that have been subjected to the financial restrictions. The Group is closely monitoring the additional regulations and its contractual undertakings to ensure its continued compliance with the legal and contractual framework. The Group has limited dollar/ euro dependency. The Group already announced that royalty payments from its Russian operations have been suspended until further notice.

  In terms of the Group's financial position, devaluation of RUB does not constitute a threat to the Group with regards to the financial liabilities. As at reporting date, 39% of the bank borrowings are in RUB all of which are attributable to the borrowings of DP Russia where the functional currency of the company is RUB. On the other hand, on the operational perspective, depreciation of RUB will bring considerable increase in price of raw materials. As at 31 December 2021, the share of RUB revenue in all over the Group is 31% and the negative effect of RUB devaluation is limited. Furthermore, sales performance of Russian operation, is in positive trend, compared to pre-ongoing situation in Russia.

  Given the recent developments, Central Bank of Russia ("CBR") made a 20% hike to its key rate on 28 February 2022. Accordingly, CBR's key rate had risen from 9.5% to 20%. The Group's effective RUB borrowing cost is between 9.7% and 14.3% and despite the increased interest rates on loans, according to the Group's cash flow pattern, no event of default on repayment or any debt service shortfall is expected.

  Lastly, The Group assets' performance is linked to general economic conditions in the country. As at the reporting date, due to the increase in the CBR interest rates, the values arrived using the discounted cash flow models may be less than the accounted fair values for the assets in Russia. Parallel to the uncertainties, it is not certain how much of the value of assets will decline or recover in the near future.

  The Group's management analysed the possible impact of changing micro and macroeconomic conditions on the Group's financial position and results of operations, parallel with the developments on daily basis and planning and implementing business continuity measures for various adverse scenarios.

  If the geopolitical situation in Russia persists or continues to develop adversely, there might be a material uncertainty
  in the Russian subsidiary's financial position and performance. Currently, the Group cannot reliably estimate the magnitude of the impact, if any. However, this is not expected to impact the Group's ability to continue as a going concern.

Other events

- The regulations included in the Law No. 7352 published in the Official Gazette dated 29 January 2022 and No. 31734 provide various tax advantages for accounts converted into Turkish Lira within the scope of supporting the conversion to Turkish Lira deposit and participation accounts. For accounts that have been converted to Turkish Lira between 31 December 2021 and the date the financial statements are approved for issue, Domino's Turkey has incurred a tax advantage of TRY 1.6 million for the last quarter of 2021. However, the aforementioned law was not in effect as at 31 December 2021, and in accordance with IAS 10, 'Events After the Reporting Period', the tax advantage of TRY 1.6 million has not been reflected as adjusting subsequent events.
  The tax advantage amounts in question will be reflected in the financial statements in the following accounting period.

- On 7 February 2022, Jubilant FoodWorks Netherlands B.V. acquired a total of 961,339 ordinary shares, at an average 87 pence (in Sterling) per share, in DP Eurasia N.V. from market purchases.

  In addition, on 10 February 2022, Jubilant FoodWorks Netherlands B.V. acquired additional 547,783 ordinary shares, at an average 81 pence (in Sterling) per share, giving Jubilant and its group undertakings 60,072,476 ordinary shares in total. As at 13 February 2022, Fides and its parent owned 41.32% of the Company's issued share capital.

- On 2 March 2022, Fides Foodsystems Coöperatief U.A. merged into Jubilant FoodWorks Netherlands B.V., which is now the holder of a total of 60,072,476 ordinary shares in DP Eurasia N.V.

- According to an amendment to the Sberbank Loan Agreement signed by the Group's Russian subsidiary and Sberbank, an inter-credit agreement subordinating all borrowings from the Group and DP Turkey should be signed by 30 September 2022. The Group expects no difficulty in meeting this requirement.