

15 June 2022

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

DP Poland plc

("DP Poland" or the "Company")

Proposed Acquisition, Proposed Board Changes

and

Issue of Share Options

Highlights

- DP Poland, the operator of pizza stores and restaurants across Poland, is pleased to announce that it has agreed terms (the "**Agreement**") to enter into a Share Purchase Agreement ("**SPA**") to acquire the entire issued share capital of All About Pizza d.o.o, trading as Domino's Croatia (the "**Transaction**").
- The Company will acquire the entire issued share capital of All About Pizza d.o.o for a total consideration of approximately £2.4 million to be satisfied by the issue of 29,787,234 ordinary shares in DP Poland based on an 8p per share issue price.
- All About Pizza d.o.o signed a Franchise Agreement with Domino's Pizza International Franchising Inc. in July 2019 to operate Domino's stores in Croatia and now operates two stores in Zagreb, with a third fully pre-financed and scheduled to open in June 2022.
- Proposed conditional appointment of Nils Gornall, Chief Executive Officer of All About Pizza d.o.o, and Andrew Rennie, ex-CEO of Domino's Pizza Enterprises in Europe, to the Board as Chief Executive Officer and Non-Executive Director respectively.
- A new stock option plan has been agreed which will be effective upon the proposed board appointments.

Przemyslaw Glebocki, Non-Executive Director of DP Poland and Managing Partner at ACP, the Company's largest shareholder, said: *"We are very excited at the prospect of Andrew and Nils joining DP Poland. The Company has been transformed and is growing at a high pace, but we have an ambition for more. These appointments bring us the best in class Domino's operational and strategic experience. We remain acquisitive and Andrew's experience in that sphere is very valuable for us. We are also inspired by the achievements of Andrew and Nils, not only in Australian and West European markets but also in Croatia, which is a market with similar economic profile to Poland. We are excited seeing their store performance and we look forward to having that replicated into our stores. I am also happy that Andrew and Nils will become shareholders of DP Poland, as that aligns our interests and reconfirms our belief in the successful outlook for DP Poland."*

Andrew Rennie, Non-Executive Director, said: *"I am excited to join DP Poland, as well as becoming a significant shareholder. I have worked in a variety of Domino's businesses globally and I believe that Poland has the right structural conditions for the business to flourish. Poland has a population approaching 40 million and DP Poland now has 122 stores, this provides a strong platform to deliver rapid sales growth and I look forward to contributing to its success."*

Nils Gornall, the incoming CEO, said: *"I'm delighted to be joining DP Poland, Poland is one of the largest markets in the EU and the business is showing strong sales growth. I've had the opportunity to meet our executive team and I am excited by their enthusiasm for the potential of the business. There is an opportunity to transfer learnings from the recently successful launch of Domino's in Croatia to further optimise operations and this work will begin immediately. I look forward to creating a profitable business at scale and emulating the success of other listed Domino's businesses from around the world."*

Details of the Transaction

DP Poland has agreed terms to enter into a SPA with Pine Hills d.o.o., Pant & Thijs Enterprises B.v., Down Under Enterprises d.o.o., Pantoffel B.V., Pant B.V., MS Ventures j.d.o.o. and M-SV B.V. (the "**Sellers**") to acquire the en re issued share capital of All About Pizza d.o.o, trading as Domino's Croatia. Due diligence on All About Pizza d.o.o is complete and the terms of the SPA are in agreed form. The Transaction is expected to complete following a reorganisation of All About Pizza d.o.o (the "**Reorganisation**"). The Agreement provides that the Reorganisation is to be completed prior to the Transaction and that all reasonable endeavours will be applied to enter into the SPA and procure completion as soon as reasonably practicable, and in any event by 30 June 2022 or otherwise, with the consent of the parties, by the longstop date of 29th July 2022. A further announcement will be made on completion of the Transaction.

All About Pizza d.o.o signed a Franchise Agreement with Domino's Pizza International Franchising Inc. in July 2019 to operate Domino's stores in Croatia and now operates two stores in Zagreb, with a third fully prefinanced and scheduled to open in June 2022.

For the year ended 31 December 2021, All About Pizza d.o.o generated revenue of €951k and EBITDA losses of -€110k, with net assets (prior to the Reorganisation) of -€781k at year end. The run rate revenue and store EBITDA¹ for the year ended 31 December 2022 are €1.241m and €189k respectively for the two operating stores. The Board believes that the estimated market potential is approximately 50 stores across Croatia.

¹Store EBITDA is stated before total overheads costs of €274k.

Proposed Acquisition Terms

The SPA provides that the Company will acquire the en re issued share capital of All About Pizza d.o.o for a total consideration of approximately £2.4 million to be satisfied by the issue of 29,787,234 ordinary shares in DP Poland based on an 8p per share issue price ("**Consideration Shares**").

The SPA also provides that Andrew Rennie, shareholder of All About Pizza d.o.o and ex-Chief Executive Officer of Domino's Pizza Enterprises in Europe, will subscribe for 2,127,660 ordinary shares in DP Poland at a price of 8 pence per share for a total subscription price of £170,212.77, at the date of the SPA ("**First Subscription**"), and a further 3,191,489 ordinary shares at a price of 8 pence per share for a total subscription price of £255,319.15 within 12 months following completion of the Transaction ("**Second Subscription**").

The directors of All About Pizza d.o.o are Nils Gornall and Micael Sviben who are currently the beneficial owners of 90% and 10% respectively. Ahead of the Acquisition, All About Pizza d.o.o will undergo a Reorganisation which will result in an ownership structure consisting of the Sellers.

The SPA includes a call option which grants the Sellers the option to repurchase All About Pizza d.o.o (the "**Option**") through the repurchase of shares in an amount equal to each of their percentage of shares held immediately prior to the Acquisition (the "**Option Shares**"). The terms of the Option, as set out below, have been agreed and following the grant of the Option these terms will not be subject to further negotiation or agreement. The Option may only be exercised on or before 31 December 2022 and the purpose of the Option is to enable the Sellers to take advantage of any higher offer received from a counterparty to purchase the en re share capital of All About Pizza d.o.o. The consideration payable on exercise of the Option shall be satisfied in cash and shall be an aggregate amount of i) £2,553,191; plus ii) an amount equal to any capital expenditure paid by DP Poland to or on behalf of All About Pizza d.o.o between completion of the Transaction and the exercise of Option, or any capital contributions made by DP Poland, or any member of its group, to All About Pizza d.o.o between completion of the Acquisition and 31 December 2022. In addition, if following the exercise of the Option, any of the Sellers sell any of their Option Shares during a two year period, the relevant Seller shall pay 20% of the gross amount by which the proceeds received exceed the consideration paid for the Option Shares to DP Poland.

When issued, the Consideration Shares, and the ordinary shares to be issued pursuant to the First Subscription ("**First Subscription Shares**") and Second Subscription ("**Second Subscription Shares**", together, the "**Subscription Shares**"), will rank *pari passu* with the existing ordinary shares of the Company and application is being made to the London Stock Exchange plc for admission of the Consideration Shares and First Subscription Shares to trading on AIM ("**Admission**"). Details of the admission of the Subscription Shares will be announced on completion of the Transaction.

Proposed board changes

DP Poland is pleased to announce the proposed appointment of Nils Gornall, Chief Executive Officer of All About Pizza d.o.o, and Andrew Rennie, ex-CEO of Domino's Pizza Enterprises in Europe, to the Board as Chief Executive Officer and Non-Executive Director respectively.

The proposed appointments of Mr Gornall and Mr Rennie are conditional on:

- i) completion of the Transaction;
- ii) completion of the Company's annual general meeting ("**AGM**"), which is expected to take place on Friday 15 July 2022; and
- iii) completion of normal regulatory due diligence being carried out by Singer Capital Markets in its capacity as the Company's Nomad.

If all of the conditions are satisfied, the appointments of Nils Gornall and Andrew Rennie will be effective from 16 July 2022, being the date following the Company's AGM. A further announcement confirming the appointments disclosing information in respect of Schedule 2(g) of the AIM Rules will be made when appropriate.

From the date of appointment of Nils Gornall as Chief Executive Officer, Piotr Dzierzek, current Chief Executive Officer of DP Poland, will remain as the Deputy Chief Executive Officer of DP Polska S.A. and Dominium S.A., the operating entities in Poland, however he will step down from the Board as a Director of the Company from this date.

Nils Gornall is a veteran of Domino's Pizza with 28 years of operational experience; most of his career he has worked alongside Andrew Rennie, who employed him in 1994. He is currently the CEO of Domino's Croatia and prior to that he acted in various roles in Domino's Australia (one of the most successful Domino's markets with more than 1000 stores) where he was awarded national store manager of 1999 and 2000, new franchisee of the year in 2001. Nils owned 23 stores in total as a franchisee, including 5 of the top 10 performing stores in Australia for a period of two years.

Nils Gornall's service agreement in respect of his appointment as a director of the Company, contains the following principal terms:

- i) remuneration is £15,000 per annum;
- ii) the appointment is subject to review and re-election on an annual basis at the Company's annual general meeting and Nil's continued employment under the terms of the employment agreement with the Company's trading subsidiary;
- iii) the Company can terminate Nils' appointment at any time with immediate effect in certain circumstances, or with three months' notice by making a payment in lieu of notice; and standard provisions relating to confidentiality, restrictive covenants, and conflict of interest .

In addition, Nils will have local contracts entered into directly with the operating companies within the Group. Nils' total fixed compensation including the director's fee referred to above, shall be €90,000.

Andrew Rennie served as the Chief Executive Officer of Domino's Pizza Enterprises in Europe for seven years, including but not limited to France, Belgium, Netherlands and Germany, where he was instrumental in acquiring local pizza chains to be converted to Domino's stores. Prior to this, Andrew was the COO of Domino's Australia.

Andrew Rennie's non-executive director letter of appointment contains the following principal terms:

In addition, Nick Donaldson, Non-Executive Chairman of the Company, confirms he will retire from the Board at the end of 2022, rather than the date of the 2022 AGM as previously announced.

Issue of Share Options

A new stock option plan has been agreed, which will comprise a total of 49,280,351 share options over ordinary shares of 0.5 pence each ("**Share Op ons**"). Share Op ons will be granted to Andrew Rennie and Nils Gornall, effective upon the proposed board appointments, as follows:

- i) an annual fee of £30,000 per annum payable in monthly instalments in arrears;
- ii) the fee will be reviewed annually and any increase will be en rely at the discretion of the Company
- iii) the appointment is for an indefinite period subject to three months' notice by either party at any me and re-election on an annual basis at the Company's annual general meeting; and
- iv) standard provisions relating to confidentiality and conflict of interest provisions.

<i>Name</i>	<i>Number of Share Options granted</i>	<i>% of Issued Share Capital (following Admission)</i>	<i>Vesting Commencement date</i>
Andrew Rennie	14,080,100	2.2%	16 July 2022
Nils Gornall	10,560,075	1.6%	16 July 2022

Of the Share Options issued to Nils Gornall and Andrew Rennie, 50% will time-vest and 50% will vest subject to meeting certain performance indicators being met or exceeded. Of the time-vesting portion, 25% vest 12 months from the Vesting Commencement date and 75% vest in 36 equal monthly instalments thereafter. The Share Options linked to key performance indicators carry the performance criteria of EBITDA which must be achieved annually over the vesting period and total number of stores target.

The exercise price of the Share Options granted is 8 pence per share and aligns the interest of the Share Options beneficiaries with the shareholders who subscribed for the equity in 2021 at 8 pence per share.

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Notes for editors

About DP Poland plc

DP Poland, through its wholly owned subsidiary DP Polska S.A., has the exclusive right to develop, operate and sub-franchise Domino's Pizza stores in Poland. Following its acquisition of Dominium S.A., which constituted a reverse takeover under the AIM Rules for Companies, the group now operates over 100 stores and restaurants across a number of cities and towns in Poland.