

Full year unaudited trading update for 2020

DP POLAND PLC

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("DP Poland" or the "Group")

Full year unaudited trading update for 2020 *and* Update on the progress of integration with Dominium S.A.

DP Poland, the operator of pizza stores and restaurants across Poland, announces a trading update for the year ended 31 December 2020 and an update on the progress of integration following completion of the acquisition of Dominium S.A. ("**Dominium**") (the "**Acquisition**") on 8 January 2021.

Trading Update

DP Poland's trading performance is in line with management expectations for the year ended 31 December 2020:

- 53 corporate stores and 16 sub-franchised stores in operation
- System Sales¹ up 7% to PLN 87.1m (2019: PLN 81.4m)
 - approximately 4.6% like-for-like² growth in System Sales
- 85% of delivery sales ordered online (2019: 82%)
- Cash at bank of £1.2m as at 31 December 2020 (pre-fundraise; £3.9m as at 31 December 2019)

Trading performance for the Group and pro forma consolidated results for the year ended 31 December 2020 (which include the unaudited results of Dominium for the year ended 31 December 2020 for illustrative purposes):

	DP Poland <i>(standalone)</i>	Pro forma consolidated <i>(incl. Dominium)</i>
System Sales	PLN 87.1m	PLN 158.2m
Revenues	PLN 74.8m	PLN 144.7m

- As of 31 December 2020, prior to the Acquisition completing, DP Poland and Dominium (together the "**Enlarged Group**") operated a combined 125 stores, including 107 corporate stores and 18 sub-franchised stores
- The Enlarged Group's business is currently skewed towards delivery sales, which generated 75% of System Sales in 2020. Management believe this provides a stable basis should restrictions linked to the COVID-19 pandemic continue throughout 2021, linked with an opportunity to recover some of the lost dine-in sales once the restrictions are lifted
- -1.1% like-for-like decline in System Sales, comprising:
 - a significant like-for-like growth in delivery sales (+16.6%)

- a significant like-for-like decline in dine-in sales (-32.6%). Dine-in sales have been negatively impacted by the COVID-19 pandemic and the resulting lockdowns and operational restrictions imposed in Poland

Integration of Dominium

Since the completion of the Acquisition, the Enlarged Group has been implementing a comprehensive integration programme, as outlined in the admission document published on 21 December 2020 which is progressing well. The key milestones achieved during Q1 2021 include:

- Completed the buy-back of 5 sub-franchisee stores, to optimise the Group's store footprint and operational efficiency;
- A new organisation structure, integrating the teams of DP Poland and Dominium, has been implemented;
- Where required, equipment at Dominium locations has been upgraded to meet the requirements of the Domino's Pizza Master Franchise Agreement;
- Staff training and revised operating manuals have both been completed;
- The key suppliers for the Enlarged Group going forward have been selected and approved;
- The DP Poland commissaries and supply chain have been reorganised and upgraded, where required, to accommodate supplies to all of the Enlarged Group's stores; and
- The DP Poland e-commerce platform has been upgraded and successfully launched for the DP Poland stores. The new e-commerce platform will handle all online orders for the Enlarged Group once fully integrated.

The final stages of the integration plan, which are currently in progress and are expected to conclude during Q2 2021, will involve:

- Integrating the IT systems of Dominium locations to the DP Poland platform;
- Converting the Dominium franchise so that Dominium locations operate under the "*Dominium by Domino's*" brand, with these locations also migrating to the DP Poland e-commerce platform; and
- Implementing new delivery areas, taking into consideration the denser network of stores.

The Board is hopeful that the government-imposed restrictions in response to the COVID-19 pandemic will be lifted during Q2 2021, with at least partial re-opening of restaurants for dine-in sales. The gradual recovery of dine-in sales is expected to improve the Enlarged Group's performance throughout 2021.

On the occasion of announcement of full-year results for the year ended 31 December 2020, which is expected as soon as possible in Q2 2021, the Board plans to organise a webinar for investors, presenting an overview of the conversion process, expected to be completed by that date, as well as the run-rate performance of the Enlarged Group.

Commenting on the integration of DP Poland and Dominium, DP Poland's Chief Executive Officer, Piotr Dzierżek, said:

"I'm very proud of the combined team of DP Poland and Dominium, and the pace of integration work that my fellow colleagues have progressed since January, despite the COVID-19 headwinds. We look to the future with optimism: we expect that fully integrating our IT infrastructure and systems will make the Enlarged Group more resilient to the ongoing impact of COVID-19, and we believe that we will be able to demonstrate the full potential of our combined business once dine-in services are allowed to resume in Poland".

¹System Sales - total retail sales including sales from corporate and sub-franchised stores, unaudited

²Like-for-like System Sales growth in PLN, matching trading periods for the same stores between 1 January and 31 December 2019 and 1 January and 31 December 2020

The information contained within this announcement is deemed to constitute inside information for the purposes of article 7 of the market abuse regulation (EU) no.

596/2014.

The person responsible for arranging the release of this announcement on behalf of the Company is Nick Donaldson, Non-Executive Chairman.

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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.