



DP Poland plc
Financial Update



October 2021



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REVIEW OF HY 2021

OPERATIONAL INTEGRATION COMPLETE

| Action point | Status |
|---|--|
| Restaurant conversion | <ul style="list-style-type: none"> ✓ signages replaced and makelines purchased and installed ✓ fresh dough implemented across the network <ul style="list-style-type: none"> - walk-in chiller rooms upgraded and refrigeration units purchased and installed ✓ stainless steel trays purchased and storage shelves replaced ✓ all staff trained |
| Delivery savings | <ul style="list-style-type: none"> ✓ New delivery areas designed ✓ Economies of scale in management of scooter running cost achieved ✓ Contracts with aggregators renegotiated |
| Unlocking top line growth opportunities | <ul style="list-style-type: none"> ✓ Combined menu built on bestsellers, new items well accepted by customers ✓ Increased prices ✓ Increase in minimum order value for free delivery |
| Commissaries | <ul style="list-style-type: none"> ✓ Dough production redirected to own commissaries (unit economics improved) ✓ CAPEX supporting higher production volumes completed ✓ Logistics outsourced to third party supplier, exceeding expected synergies |
| Procurement savings | <ul style="list-style-type: none"> ✓ Fully refocused supply chain ✓ All ingredients and suppliers passed acceptance process with DPI |
| HQ integration | <ul style="list-style-type: none"> ✓ Teams and office integrated as planned |
| Marketing synergies | <ul style="list-style-type: none"> ✓ New e-commerce platform launched in March 2021 ✓ New mobile application launched in Jul-Sep 2021 ✓ Marketing initiatives aligned |
| Franchise buy-outs | <ul style="list-style-type: none"> ✓ Buy-outs completed: 17 stores converted into corporate stores (7 in second half of 2020 and 10 in 2021 YTD) |
| IT integration | <ul style="list-style-type: none"> ✓ Fully plugged into DPI's systems allowing for comprehensive analysis of the business and enforcing best practices |



UNAUDITED PRO FORMA CONSOLIDATED STATEMENT

6 MONTHS TO 30 JUNE 2021

| | <i>Unaudited</i> 6 months to 30.06.21 £ | <i>Unaudited</i> 6 months to 30.06.20 £ | <i>Pro-forma unaudited</i> 6 months to 30.06.20 £ |
|---|--|--|--|
| Revenue | 13,813,115 | 6,694,745 | 13,686,709 |
| Direct costs | (11,585,559) | (5,040,613) | (11,149,714) |
| Selling, general and administrative expenses - excluding: store pre-opening expenses, depreciation, amortisation and share based payments | (2,241,691) | (1,079,240) | (2,348,169) |
| GROUP EBITDA - excluding non-cash items, non-recurring items and store pre-opening expenses | (14,135) | 574,892 | 188,826 |
| Store pre-opening expenses | - | - | - |
| Other non-cash and non-recurring items | 449,185 | 138,708 | 88,335 |
| Finance income | 475,515 | 1,980 | 53,071 |
| Finance costs | (646,244) | (536,933) | (782,162) |
| Foreign exchange gains / (losses) | 288,104 | (2,037) | (41,805) |
| Depreciation, amortisation and impairment | (2,420,718) | (1,345,684) | (2,353,088) |
| Share based payments | (35,541) | - | (80,899) |
| Loss before taxation | (1,903,834) | (1,169,073) | (2,927,721) |
| Taxation | - | - | - |
| Loss for the period | (1,903,834) | (1,169,073) | (2,927,721) |

Basis for preparation

H1 2021 unaudited figures include the business of DP Poland plc as well as Dominium SA.

Comparative unaudited data for H1 2020 is for Dominium S.A. only as accounting acquirer.

Pro-forma data for H1 2020 is unaudited consolidated numbers for both Dominium and DP Poland.

Step change in scale

The acquisition of Dominium has roughly doubled the business of DP Poland by revenue and store number

Benefits of conversion yet to be realised

Conversion completed only on 8 July 2021 – delayed by IT integration with DPI's IT systems

Continued impact of COVID-19

Migration from big cities during lockdowns

Online learning in schools and universities

Home office

No state support for mid-sized businesses in 2021

No EBITDA breakthrough yet

Synergies not yet fully reflected

Substantial one-off integration costs and operating inefficiencies incurred over Jan-Aug 2021



PRO ACTIVE APPROACH TO ISSUES FACED DURING 2021



Inflation of 5.9% in Poland

- Inflation of ingredients 15%



- Price increases effective from June 2021 but more action needed
- Taking advantage of increased purchasing power in negotiations with suppliers



Low unemployment and poor access to workforce



- 18% of employees recruited from outside of Poland
- Migration of sales from call centre to online



COVID-19 fluctuations favouring delivery during lockdowns and dine-in post lockdowns



- Omnichannel approach



Erosion of key client groups (students, tourists, office staff...)



- Extended menu for delivery
- Closure of selected restaurants during lockdown
- Personnel reductions
- Stronger promotional effort





CURRENT TRADING UPDATE

UNAUDITED TRADING UPDATE – 9 MONTHS 2021

| <i>PLNm</i> | 9m2019 | 9m2020 | 9m2021 | % change vs 2019 | % change vs 2020 |
|-----------------------------|--------------|--------------|--------------|---------------------|---------------------|
| System sales | 124.0 | 118.0 | 117.9 | -5% | 0% |
| LFL System sales | 115.9 | 114.5 | 116.9 | 1% | 2% |
| Dine-in | 42.3 | 29.5 | 27.2 | -36% | -8% |
| Delivery | 73.5 | 85.0 | 89.8 | 22% | 6% |
| Non-LFL System sales | 8.1 | 3.5 | 0.9 | -89% | -73% |

| <i>PLNm</i> | 3Q2019 | 3Q2020 | 2Q2021 | % change vs 2019 | % change vs 2020 |
|-----------------------------|-------------|-------------|-------------|---------------------|---------------------|
| System sales | 41.7 | 41.4 | 41.6 | 0% | 0% |
| LFL System sales | 39.8 | 41.2 | 41.1 | 3% | 0% |
| Dine-in | 16.7 | 12.9 | 14.5 | -13% | 13% |
| Delivery | 23.2 | 28.3 | 26.6 | 15% | -6% |
| Non-LFL System sales | 1.8 | 0.3 | 0.5 | -75% | 58% |

H1 – two concepts still working in parallel

Two brands operated in parallel: limited operating benefits, largely separate marketing efforts

Overlapping delivery areas – brands still delivering in parallel

Q3 – learning curve

Some churn of Dominionium customers from the new Domino's website (addressed in September)

Some items dropped from menu which discouraged a group of clients

Redesigned delivery areas impacted delivery times in the initial months

Change in sales mix

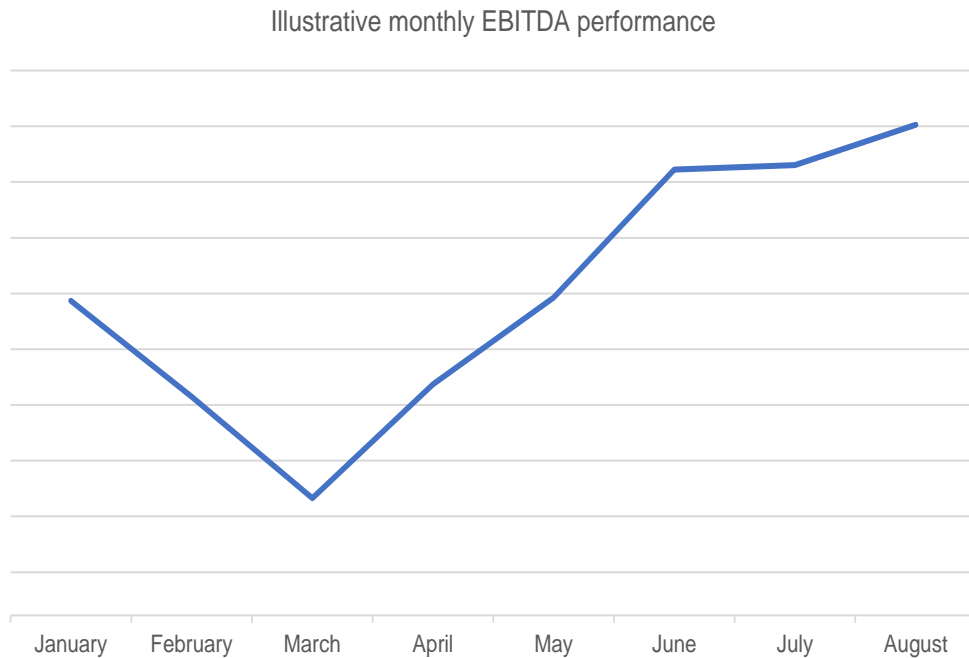
Proves loyalty of customers (moving from delivery to dine in and back)

Dine-in more profitable than delivery

Heading towards COVID-19 neutrality as customers switch from dine-in to delivery during lockdown periods and vice versa



CONTINUOUS IMPROVEMENT IN PROFITABILITY



Unaudited Q3 data based on flash figures but the positive trend is clear

Integration synergies extracted over time

Lead time of restructuring efforts: cost benefits delayed by notice periods

Conversion of Dominion restaurants spread over time

Learning curve

Sales mix affects the margin

Dine-in business was loss making during lockdowns

February - April

Tighter lockdown during the third wave of COVID-19

Q2 seeing gradual softening of COVID-19 measures

Dine-in restrictions gradually eased starting from mid-May

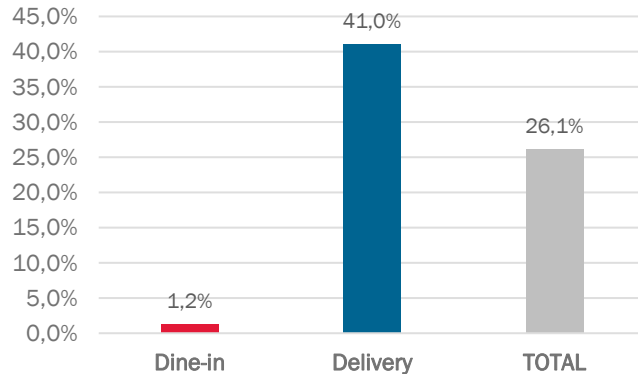
No substantial state support for mid-sized businesses in 2021

Substantial one-off integration costs and operating inefficiencies incurred over January to August 2021

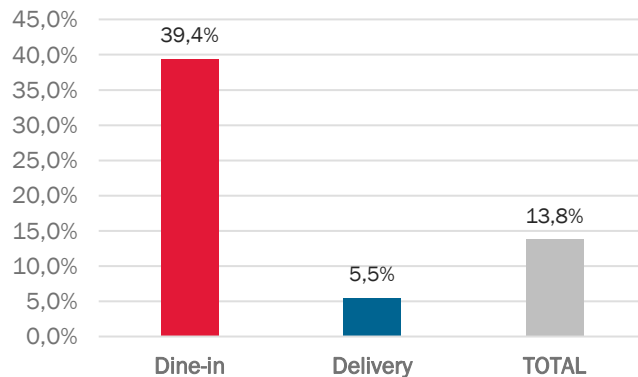


RECENT TRADING INSIGHTS – SALES PERFORMANCE IN OCT 2021

LFL performance vs. 2019



LFL performance vs. 2020



Strong trading performance in the first half of October 2021

- ✓ Trading for the initial 17 days of October shows strong double-digit growth compared to 2020 as well as 2019
- ✓ 1.2% LFL dine-in growth compared to 2019 pre-COVID-19 performance
- ✓ 41% LFL delivery growth compared to 2019 pre-COVID-19 performance
- ✓ 39.4% LFL dine in growth compared to 2020's pandemic-ridden results
- ✓ 5.5% LFL delivery growth compared to 2020's pandemic-ridden results

Our reading of the situation

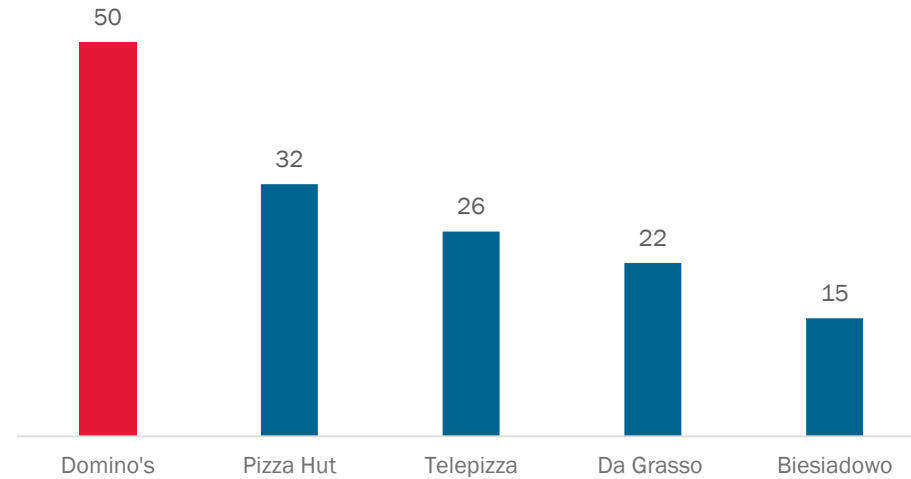
- ✓ Students back to schools and universities
- ✓ Billboard and radio campaigns launched in Warsaw
- ✓ Strong e-commerce platform supported with tailor-made marketing activity



FOLLOW DOMINO'S BEST PRACTICE – DOMINATE MARKET

DPP dominant in Warsaw
thanks to Project Dream

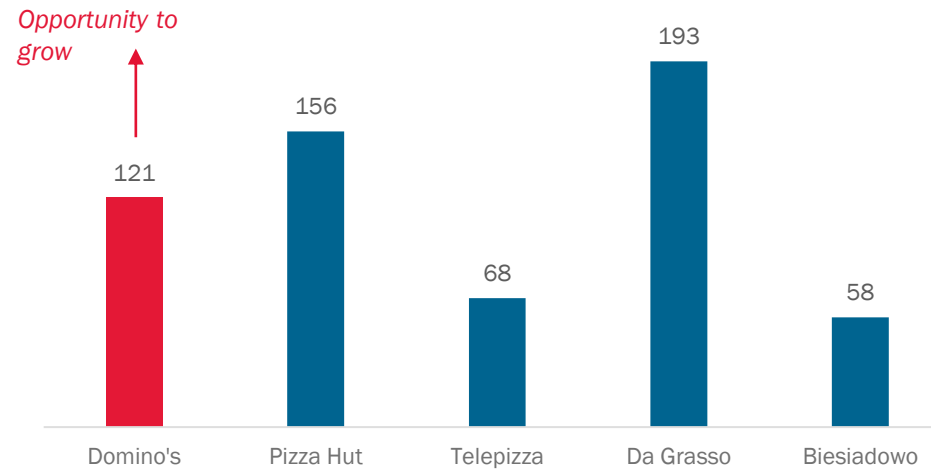
*by number of stores



Potential to grow market share outside of Warsaw

Double digit % growth of like for like sales

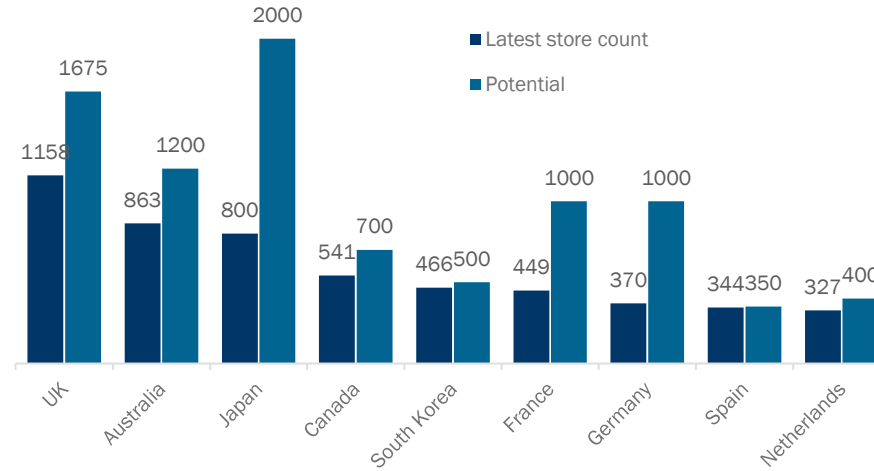
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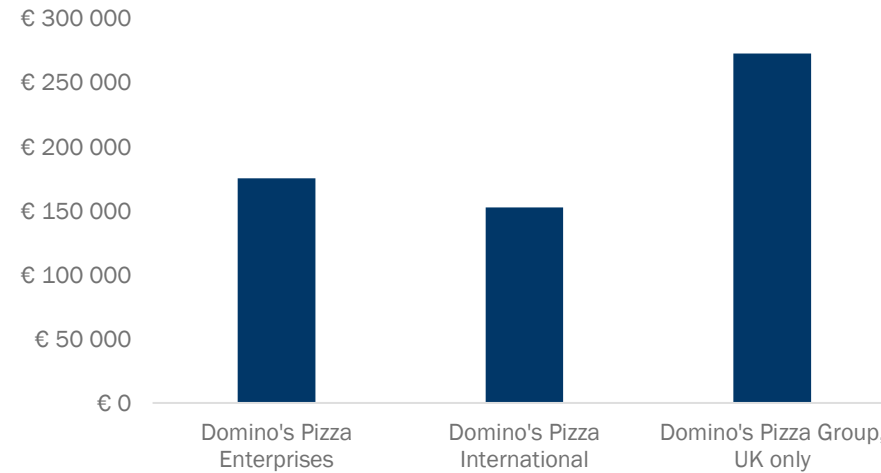
OPPORTUNITY

Store growth

Store profitability



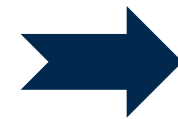
Source: Domino's Pizza International



DPP



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OUTLOOK AND SUMMARY

OUTLOOK FOR Q4 2021 AND BEYOND

- ✓ Continued LFL revenue growth, expected to be driven by:
 - ✓ improved market backdrop (customers returning to cities, dine-in)
 - ✓ better value proposition to customers (delivery times, convenience)
 - ✓ further enhancement of digital marketing
- ✓ Pricing / promo adjustment or introduction of delivery charge to reflect input costs inflation
- ✓ Continued work on store footprint to optimise labour cost and improve profitability
- ✓ Further improvement in EBITDA, business expected to become cash generative in Q4 2021
- ✓ Store openings planned for 2022 either through new store openings or network acquisitions
- ✓ Expected recovery of overpaid VAT following supportive ECJ ruling

