This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

DP Poland plc

("DP Poland", the "Company" or the "Group")

Interim Results and Trading Update

DP Poland, the operator of pizza stores and restaurants across Poland and Croatia, is pleased to announce its unaudited results for the six months ended 30 June 2022, as well as a trading update for the months of July and August.

Nils Gornall, Chief Executive Officer, said: *"H1 2022 saw the company move into a profitable EBITDA position and I am confident that we can further build on this in the second half of the year. Positive sales trends have accelerated in H2, with July and August like for like sales growing at a rate of >30% year on year. However, we remain vigilant against the strong inflationary environment facing companies and consumers alike, although we are seeing early signs of some pressures easing.*

Our recently completed capital raise puts the Company on a strong financial footing to continue to grow market share. In H2 our focus will be on rolling out a High Volume Mentality across all stores, ensuring that operational best practices are fully-embedded to capitalise on this opportunity. Increased marketing and a relentless focus on our strong customer value proposition is expected to deliver new records, supported by the men's football World Cup."

Financial highlights

- Like For Like ("LFL") System Sales in H1 increased by 23.8% year on year (in local currency)
  - LFL increase of 21.8% in Q1, accelerating to 25.6% in Q2
  - Rapid recovery of dine-in sales with 128.1% LFL growth compared to H1 2021, whilst growing the strong delivery sales recorded in H1 2021 (+2.5% LFL)
- Total system sales increased by 16.8% to £17.1m (H1 2021: £14.6m)
- EBITDA[1] increased to £388k (H1 2021: £(14k))
- Cash at bank of £1.7m at 30 June 2022 (£1.4m as at 30 June 2021), before the £4.8m gross equity fundraise in August 2022

[1] *excluding non-cash items, non-recurring items and store pre-opening expenses*

Operational highlights

- Continued investment in the delivery platform, including personnel and IT
  - There is a strong correlation between delivery times and consumer satisfaction
  - Average delivery times have reduced significantly, resulting in improved Net Promoter Scores, which measures customer satisfaction, for new and existing customers
  - These initiatives are expected to generate a high return on investment, building solid foundation for sustainable revenue growth
- Price increases implemented across the store and restaurant network and cost reduction plans are under way to mitigate the high inflationary pressures across the Group's cost structure. We expect impact of these inflationary pressures and resulting drag on margins to reverse and are already seeing green shoots as a result of our actions.
- Two new stores opened in H1 2022, with record sales achieved in the first weeks of operations.
- Post period end, Nils Gornall joined the Company as CEO, bringing 28 years of operational experience at Domino's businesses. Nils is rolling out a High Volume Mentality (''HVM'') across our network as part of his 100 day business plan, which also includes:
  - opening new stores in strategic secondary cities, closing and relocating loss making stores;
  - investment in staff training, technology and fleet to reduce delivery times;
  - benchmarking initiatives to review buying power and drive efficiencies; and
  - developing a sub-franchise plan for 2023.

Unaudited Financial Information

£'000	H1 2021	H1 2022	% change
System Sales	14,576	17,098	16.8%
Revenue	13,813	16,575	20%
EBITDA*	-14	388	2,871%
margin %	*-0,1%*	*2,3%*	
Loss for the period	- 1,904	- 2,200	-15.5%

**excluding non-cash items, non-recurring items and store pre-opening expenses*

The Group's performance in H1 2022 was the least impacted by lockdowns or other COVID-19 related restrictions since 2019. Total System Sales grew 16.8% in H1 2022, benefitting from a strong recovery of dine-in sales, while the strong delivery sales of H1 2021 were maintained. This was achieved through a combination of successful marketing efforts, united under one Domino's brand, an increase in the digital marketing budget and a relentless focus on shortening the delivery times and improving customer satisfaction. The sales growth represents an increased volume as well as higher average cheque, as the Group adjusted its pricing strategy to the inflationary environment.

The Group achieved a strong increase in EBITDA to £388k profit in H1 2022, following the marginal loss of £14k in 2021. To achieve further sales growth, the Board is focussing on two key fronts:

- Increasing market share: Against a tough economic backdrop, the Company is capitalising on our comparative advantage by growing market share. DP Poland is navigating this environment from a strong position given our size and focus on high product quality, service standards and customer satisfaction. The Board in focused on normalising margins and growing market share, and expect higher profitability in the medium term.

- Inflation: There is a lag between cost inflation (exacerbated by the Russian/Ukraine war) and our ability to raise prices which was implemented in early Q2, temporarily impacting margins.

Trading update

Sales growth has accelerated in July and August, with LFL growth of 28.8% and 34.7% respectively compared to 2021, and by 36.1% and 35.1% respectively compared to the pre-pandemic 2019. The growth is visible across all sales segments, with dine-in and carry out business growing at 48% in August 2022 compared to prior year (and 24% compared to 2019) and delivery growing by 27% compared to prior year.

In the year to the end of August, we have seen double-digit LFL revenue growth compared to 2021:
- 25.8% increase in total LFL System Sales
  - 92.3% LFL dine-in revenue growth
  - 6.9% LFL delivery revenue growth

When compared to the pre-pandemic environment of 2019, the Group has also recorded compelling LFL revenue growth metrics:
- 27.4% increase in total LFL System Sales
  - 18.9% LFL dine-in revenue growth
  - 32.3% LFL delivery revenue growth

A continued strong LFL revenue growth is expected to be supported by the implementation of the High Volume Mentality approach, supported by continued marketing efforts. In addition, the Group expects to accelerate the new store opening program to further drive top line growth.

The total system sales (i.e. including non-LFL sales) have also recorded strong growth rates of 27.4% and 33.3% respectively for July and August 2022 compared to 2021 and by 28.4% and 26.5% respectively compared to the pre-pandemic 2019.

Post-balance sheet events

Since the end of June 2022, and the publication of interim results, the Group has:

- completed the acquisition of All About Pizza d.o.o., a master franchise operator of Domino's Pizza stores in Croatia, in July 2022;
- raised gross proceeds of £4.8m in the equity fundraising in August 2022; and
- appointed Nils Gornall as CEO, Andrew Rennie as NED and announced the proposed appointment of Edward Kacyrz as the new Chief Financial Officer.

Please refer to the applicable RNS announcements for details of the above.

In August 2022, Dominium received a VAT refund for 2011 in of approximately £0.4m out of which 50% will be paid out as part of the addition consideration for Dominium (as stipulated in the original SPA). As noted in the Admission Document published on 21 December 2020, prior to the acquisition of Dominium by DP Poland, the Group has paid £1.4m of VAT payables disputed with the Polish tax authorities (referring to sales for the period 2011-2016). Each disputable year is considered separately by tax authorities and Polish Supreme Administrative Court.

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Notes for editors

About DP Poland plc

DP Poland, has the exclusive right to develop, operate and sub-franchise Domino's Pizza stores in Poland and Croatia. The group operates over 120 stores and restaurants throughout cities and towns in Poland and Croatia.

Chief Executive Officer's Review

It is a great pleasure to address you in my new capacity as the Chief Executive Officer of DP Poland plc, following my appointment as of 1 August 2022. Having had the opportunity to engage with our work force and visit our stores, I feel confident in the strong foundations we have put in place to deliver strong growth, which is already visible in our recent trading performance.

Supported by the recently completed equity fundraising and the reenergised team, we are well positioned to capitalise on the opportunity to grow market share and sales volumes under our High Volume Mentality. Market conditions have been challenging, predominantly related to the inflationary pressures visible in food, labour and utility cost.

We look forward to the arrival of Mr. Edward Kacyrz as the Company's new Chief Financial Officer (subject to completion of normal regulatory due diligence), which is expected to happen by 1 December 2022, filling the position to be vacated by Ms. Malgorzata Potkanska.

Store performance

The Company has seen strong top line performance in the first six months of 2022, recording 26.3% LFL growth compared to prior year and a similar metric 17.8% compared to the pre-COVID 2019. The growth vs. prior year was achieved through a combination of (i) a strong recovery of dine-in sales following the release of lockdown restrictions; and (ii) continued dynamic growth of delivery sales, improving on the already strong performance in 2021 during the pandemic.

Our restaurants with waiter service saw a full recovery of the traffic lost in prior years, with dine-in recording 21.3% LFL growth in June 2022 compared to June 2019 and a 55.8% LFL growth compared to June 2021. Despite the already high base of delivery sales in June 2021, deliveries in June 2022 have also recorded an attractive 9.6% LFL growth.

I am happy to report that the strong growth dynamics recorded in H1 2022 have been further improving later in the year, with the Company recording LFL system sales growth of 31% in July followed by 35% in August (both metrics compared to 2021 performance). This performance is supported by both sales channels – dine-in / carry-out as well as the delivery business. Not only is sales growth strong, but also backed by strong volume growth of orders. The Company recorded 17.7% LFL growth in order count in July, and 10.7% LFL growth of order count in August (again both metrics compared to 2021 performance).

The week commencing 15 August 2022, also saw a record sales week for the Polish market achieving the biggest sales since the acquisition of Dominium and Domino's in January 2021.

Customer satisfaction

Delivering a great product, service and experience is at the forefront of our business. We have prioritised improving the quality of our customer value proposition, principally through a reduction in delivery times. This has been shown in other markets to improve the frequency of ordering by our loyal customers as well as win new customers. We have also been working to reduce bottlenecks and prepare the business for increased order volumes, something we expect to see benefits of in the coming quarters. As a direct result of those initiatives, we have evidenced an improving Net Promoter Score as well as a substantial drop in our delivery times compared to beginning of 2022.

Input cost inflation and mitigating action

The Russian aggression on Ukraine continues to have substantial adverse implications on the stability of supply chains across key sectors of the economy, including food, energy and logistics. This has further aggravated the inflationary pressures visible in late 2021 and early 2022, with significant increases in the cost of food inputs, fuel and energy. The Company is not immune to those pressures as food cost and labour pressures continue to be a key management focus.

The team has been working hard to mitigate these pressures, through supply contracts renegotiation, process optimisations, improved labour efficiencies and general cost scrutiny. Nevertheless, the cost efficiencies achievable have been disproportionate to the scale of inflationary pressure and adjustments to our pricing have become a necessity. Similarly, to the wider hospitality market in Poland, we have therefore implemented several price increases affecting list prices as well as our promotional efforts. We believe that our scale of operations and the resulting efficiencies, as well as the value-for-money proposition of a pizza meal, will make us a net beneficiary compared to other local restaurants.

Expansion to Croatia

The Company's recent acquisition of Domino's Pizza operations in Croatia has provided aspirational benchmarks for the core Polish business. Our Croatian stores generate sales that are almost twice as high (on a per-store basis) compared to Poland. Furthermore, the combined food and labour cost as percentage of sales is approximately 8 per cent. lower than in Poland.

We aspire to bring the Key Performance Indicators of the Polish stores much closer to the benchmarks achieved in Croatia, and our country teams are exchanging best operating practices on a daily basis.

Fundraising

DP Poland plc raised gross proceeds of £4.8m in August 2022, which will allow us to accelerate growth and selectively invest in value-accretive optimisation projects. Since the beginning of the year we have opened two new stores in Poland and a further one in Croatia, and are developing the store opening pipeline to accelerate further later this and in the following year.

We have a compelling customer proposition and a strong and improving business model. These will help us navigate the temporarily adverse market conditions. I am looking forward to the journey alongside my executive team and fellow colleagues.

Outlook

It is our ambition to combine the strong top line growth with significantly improved profitability. While we have seen an improvement in H1 2022, we had expected to perform better without the inflationary pressures. While the improvement of business profitability and positive cash flow is the prime goal for the entire team, we have made the decision to prioritise growth over maximising short-term profitability.

It is fundamental for the business to keep its customers returning and further increase order count, as this will deliver our long-term targets. Considering the unprecedented cost inflation, passing all cost pressures onto customers too rapidly could be counterproductive. We have therefore revisited our pricing strategies and made several consecutive, but smaller-scale, price increases. We are also progressing several operational excellence projects which, alongside continued fast LFL growth, is expected to bring the Company to profitability.

Finally, I have now had the opportunity to fully review our store portfolio. Group profitability is being hampered by a few loss-making stores which we intend to relocate to more profitable locations. This portfolio optimisation will require some capital investment but is expected to generate significant returns and drive growth. Stripping out these locations would have brought the pre-IFRS 16 EBITDA into profits for H1 2022.

Financial Statements

Group Income Statement

	Notes	*Unaudited* 6 months to 30.06.2022 £	*Unaudited* 6 months to 30.06.2021 £	*Audited* Year to 31.12.2021 £
Revenue	2	16 575 350	13 813 115	29 866 189
Direct costs		(13 529 067)	(11 585 559)	(24 427 738)
Selling, general and administrative expenses - excluding: store pre-opening expenses, depreciation, amortisation and share based payments		(2 658 585)	(2 241 691)	(4 301 176)
GROUP EBITDA - excluding non-cash items, non-recurring items and store pre-opening expenses		387 698	(14 135)	1 137 275
Store pre-opening expenses		(32 894)	-	(3 429)
Other non-cash and non-recurring items		23 035	449 185	59 278
Finance income		11 648	475 515	1 155 806
Finance costs		(786 469)	(646 244)	(1 669 527)
Foreign exchange gains / (losses)		276 382	288 104	(61 911)
Depreciation, amortisation and impairment		(2 079 335)	(2 420 718)	(4 867 679)
Share based payments		-	(35 541)	(51 301)
Loss before taxation		(2 199 935)	(1 903 834)	(4 301 488)
Taxation	3	-	-	(58 983)
Loss for the period		(2 199 935)	(1 903 834)	(4 360 471)
Loss per share Basic	4	(0.38 p)	(0.33 p)	(0.75 p)
Diluted	4	(0.38 p)	(0.33 p)	(0.75 p)

Group Statement of Comprehensive Income

	Unaudited 6 months to 30.06.2022	*Unaudited* 6 months to 30.06.2021	*Audited* Year to 31.12.2021
	£	£	£
Loss for the period	(2 199 935)	(1 903 834)	(4 360 471)
Currency translation differences	11 380	440 759	24 798
Other comprehensive expense for the period, net of tax to be reclassified to profit or loss in subsequent periods	11 380	440 759	24 798
Total comprehensive income for the period	(2 188 555)	(1 463 075)	(4 335 673)

Group Balance Sheet

	Unaudited 30.06.2022 £	*Unaudited* 30.06.2021 £	*Audited* 31.12.2021 £
Non-current assets			
Goodwill	15 016 129	11 985 453	15 008 736
Intangible assets	1 969 417	5 491 933	2 207 448
Property, plant and equipment	5 915 292	7 224 508	6 135 097
Leases - right of use assets	7 512 357	7 482 206	8 237 471
Deferred tax asset	-	29 517	-
Financial assets	-	-	-
Trade and other receivables	800 448	573 995	820 871
Finance lease receivables	-	951	-
	31 213 643	32 788 563	32 409 623
Current assets			
Inventories	522 300	808 837	667 898
Trade and other receivables	1 354 550	1 996 444	1 219 447
Cash and cash equivalents	1 730 716	1 420 070	2 701 646
	3 607 566	4 225 352	4 588 991
Total assets	34 821 209	37 013 915	36 998 614
Current liabilities			
Trade and other payables	(5 415 603)	(5 842 319)	(4 983 665)
Borrowings	-	-	(11 068)
Lease liabilities	(2 813 656)	(2 288 390)	(2 656 091)
Provisions	-	(128 153)	-
	(8 229 259)	(8 258 862)	(7 650 824)
Non-current liabilities			
Deferred tax	(213 982)	(8 920)	(213 797)
Lease liabilities	(6 107 204)	(6 895 321)	(7 027 146)
Borrowings	(6 217 469)	(5 703 224)	(5 840 594)
	(12 538 655)	(12 607 465)	(13 081 537)
Total liabilities	(20 767 914)	(20 866 326)	(20 732 361)
Net assets	14 053 295	16 147 589	16 266 253
Equity			
Called up share capital	3 102 293	2 909 941	3 097 933
Share premium account	42 593 641	39 884 715	42 551 453
Capital reserve - own shares	(48 163)	(48 163)	(48 163)
Retained earnings	(19 427 950)	(14 787 138)	(17 228 015)
Merger relief reserve	21 282 500	21 282 500	21 282 500
Reverse Takeover reserve	(33 460 406)	(33 581 176)	(33 460 406)
Currency translation reserve	11 380	486 911	70 951
Total equity	14 053 295	16 147 589	16 266 253

Group Statement of Cash Flows

	Unaudited 6 months to 30.06.2022 £	*Unaudited* 6 months to 30.06.2021 £	*Audited* Year to 31.12.2021 £
Cash flows from operating activities			
Loss before taxation for the period	(2 199 935)	(1 903 834)	(4 301 488)
Adjustments for:			
Finance income	(11 648)	(44 670)	(1 155 806)
Finance costs	786 470	198 448	1 669 527
Foreign exchange movements	150 204	-	1 180 246
Depreciation and amortisation and impairment	2 079 335	2 420 718	4 867 679
(Profit) on disposal of property, plant and equipment	5 563	(559 945)	267 866
Share based payments expense	-	35 541	51 301
Operating cash flows before movement in working capital	809 989	146 258	2 579 325
Change in inventories	285 332	(198 096)	(32 569)
Change in trade and other receivables	(79 915)	(1 082 455)	144 647
Change in trade and other payables and provisions	94 096	(32 286)	(2 276 572)
Cash (used in) / provided by operations	1 109 502	(1 166 579)	414 831
Taxation paid	-	-	-
Net cash from operating activities	1 109 502	(1 166 579)	414 831
Cash flows from investing activities			
Payments to acquire software	(32 856)	-	(170 637)
Payments to acquire property, plant and equipment	(453 236)	(372 422)	(720 381)
Payments to acquire intangible fixed assets	(19 721)	(187 013)	(208 004)
Lease and other deposits repaid / (advanced)	-	-	-
Proceeds from disposal of property plant and equipment	37 349	25 823	90 892
Share options settled in cash	-	-	-
Equity investment in subsidiary company	-	-	-
Disposal of treasury bills	-	-	-
Net movement in loans to sub-franchisees	27 020	20 054	25 233
Interest received	8 048	-	3 811
Cash acquired from subsidiaries	-	12 197	1 336 256
Net cash used in investing activities	(433 396)	(501 361)	357 170
Cash flows from financing activities			
Net proceeds from issue of ordinary share capital	-	3 266 831	6 121 561
Repayment of borrowings and lease liabilities	(1 313 525)	(1 224 722)	(3 474 856)
Interest paid	(347 824)	(374 719)	(751 711)
Net cash (used in) / from financing activities	(1 661 349)	1 667 390	1 894 994
Change in cash and cash equivalents	(985 243)	(550)	2 666 995
Exchange differences on cash balances	14 313	49 713	-
Cash and cash equivalents at beginning of period	2 701 646	1 370 907	34 651
Cash and cash equivalents at end of period	1 730 716	1 420 070	2 701 646

Group Statement of Changes in Equity

	Share capital £	Share premium account £	Retained earnings £	Currency translation reserve £	Capital reserve - own shares £	Reverse Takeover reserve £	Merger Relief reserve £	Total £
At 31 December 2020	**1 648 700**	**8 124 915**	**(12 918 845)**	**46 153**	**-**	**-**	**-**	**(3 099 077)**
Translation difference	-	-	-	24 798	-	-	-	24 798
Loss for the period	-	-	(4 360 471)	-	-	-	-	(4 360 471)
Transfer to reverse takeover reserve	(1 648 700)	(8 124 915)	-	-	-	9 773 615	-	-
Recognition of DP Poland Plc equity	1 270 543	36 838 450	-	-	(48 163)	(20 532 689)	-	17 528 141
Reverse takeover of Dominium	1 418 832	-	-	-	-	(22 701 332)	21 282 500	-
Shares issued (net of expenses)	408 558	5 713 003	-	-	-	-	-	6 121 561
Share based payments	-	-	51 301	-	-	-	-	51 301
At 31 December 2021	**3 097 933**	**42 551 453**	**(17 228 015)**	**70 951**	**(48 163)**	**(33 460 406)**	**21 282 500**	**16 266 253**
Shares issued	4 360	42 188	-	-	-	-	-	46 548
Share based payments	-	-	-	-	-	-	-	-
Translation difference	-	-	-	(58 301)	-	-	-	(58 301)
Loss for the period	-	-	(2 199 935)	-	-	-		(2 199 935)
At 30 June 2022	**3 102 293**	**42 593 641**	**(19 427 950)**	**12 650**	**(48 163)**	**(33 460 406)**	**21 282 500**	**14 054 565**

Notes to the Interim Financial Statements
for the six months ended 30 June 2022

1 Basis of preparation

These condensed interim financial statements are unaudited and do not constitute statutory accounts within the meaning of the Companies Act 2006. These condensed interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' and were approved on behalf of the Board by the Chairman Nicholas Donaldson.

The accounting policies and methods of computation applied in these condensed interim financial statements are consistent with those applied in the Group's most recent annual financial statements for the year ended 31 December 2021.

The financial statements for the year ended 31 December 2021, which were prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union ('IFRS'), and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, have been delivered to the Registrar of Companies. The auditors' opinion on those financial statements was unqualified and did not contain a statement made under s498(2) or (3) of the Companies Act 2006.

Copies of these condensed interim financial statements and the Group's most recent annual financial statements are available on request by writing to the Company Secretary at our registered office DP Poland plc, One Chamberlain Square, Birmingham, B3 3AX, United Kingdom, or from our website www.dppoland.com.

2 Revenue

	Unaudited *6 months to* 30.06.2022 £	*Unaudited* *6 months to* 30.06.2021 £	*Audited* *Year to* 31.12.2021 £
Core revenue	16 575 350	13 813 115	29 866 189
Other revenue	-	-	-
	16 575 350	13 813 115	29 866 189

Core revenues are ongoing revenues including sales to the public from corporate stores, sales of materials and services to sub-franchisees, royalties received from sub-franchisees and rents received from sub-franchisees. Other revenues are non-recurring transactions such as the sale of stores, fittings and equipment to sub-franchisees.

3 Taxation

	Unaudited 6 months to 30.06.2022 £	*Unaudited* 6 months to 30.06.2021 £	*Audited* Year to 31.12.2021 £
Current tax	-	-	-
Deferred tax charge relating to the origination and reversal of temporary differences	-	-	58 983
Total tax charge in income statement	-	-	58 983

4 Earnings per ordinary share

The loss per ordinary share has been calculated as follows:

	Unaudited 6 months to 30.06.2022	*Unaudited* 6 months to 30.06.2021	*Audited* Year to 31.12.2021
Profit / (loss) after tax (£)	(2 199 935)	(1 903 834)	(4 360 471)
Weighted average number of shares in issue *(excluding EBT held shares)*	578 123 216	578 123 216	578 123 216

Basic and diluted earnings per share (pence)	(0.38 p)	(0.33 p)	(0.75 p)

The weighted average number of shares for the period excludes those shares in the Company held by the employee benefit trust. At 30 June 2022 the basic and diluted loss per share is the same, because the vesting of share awards would reduce the loss per share and is, therefore, anti-dilutive.

5 Principal risks and uncertainties

The principal risks and uncertainties facing the Group are disclosed in the Group's financial statements for the year ended 31 December 2021, available from www.dppoland.com and remain unchanged.

6 Acquisition of All About Pizza d. o. o.

On 1 August 2022 the acquisition of the entire issued share capital of All About Pizza d.o.o, trading as Domino's Croatia, has been completed. The Company has entered into a Share Purchase Agreement to acquire All About Pizza d.o.o for approximately £2.4 million satisfied by the issue of 29,787,234 Consideration Shares at 8 pence per share.

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 three stores in Zagreb.