

DP Eurasia N.V.

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

Trading Update for the ten months ended 31 October 2022⁽¹⁾

(millions of TRY, unless otherwise indicated)

	2022	2021	Change	
Number of stores	845	806	39	
Group system sales <i>(pre-IAS 29⁽¹⁾)</i> ⁽²⁾	2022	2021	Change	Change
				<i>(after IAS 29)</i>
Turkey	2,309	1,384	66.8%	-3.3%
Russia	893	478	86.9%	86.9%
Azerbaijan	53	25	114.7%	25.7%
Georgia	28	10	180.0%	64.4%
COFFY	37	4	845.1%	435.0%
Total	3,320	1,901	74.6%	11.6%

Group system sales LfL growth⁽³⁾	<i>(pre-IAS 29)</i>		<i>(after IAS 29)</i>	
	2022	2021	2022	2021
Group⁽⁴⁾	42.9%	42.1%	-7.7%	25.5%
Turkey	58.4%	52.7%	-8.2%	30.0%
Russia (based on RUB)	-7.1%	12.4%	-7.1%	12.4%
Azerbaijan (based on AZN)	-1.3%	8.6%	-1.3%	8.6%
Georgia (based on GEL)	11.2%	58.4%	11.2%	58.4%

Highlights

- Group system sales increased by 11.6% (*pre-IAS 29: 74.6%*), reflecting our ongoing focus on strategic pricing, product innovation and the continued development of our digital proposition.
- This good performance has been delivered against a very strong prior year comparative (*pre-IAS 29: 51.8%*) and while operating in a sustained inflationary environment.
- Adjusting to exclude the benefit of last year’s VAT reduction (which ended in September 2021), our LfL performance of -3% broadly caught up with the pace of inflation.
- Online delivery system sales increased to 82.3% (*October 2021: 76.6%*) as a share of delivery system sales ⁽⁶⁾, reflecting DP Eurasia’s robust positioning for the online ordering channel.

- Group online system sales ⁽⁵⁾ grew by 14.2% (*pre-IAS 29: 75.6%*).
 - Turkish online system sales growth was flat (*pre-IAS 29: 70.7%*).
 - Russian online system sales growth was 86.6% (*-14.2% based on RUB*).
- Turkish net new store openings of 31 for Domino’s Pizza reflects strong demand and maintained network expansion momentum, building on the record year in 2021.
- Our COFFY network has this year increased by 14 stores to reach 22, with solid franchisee demand likely to carry the year-end number slightly above 30, which is top end of 2022 guidance.
- Liquidity position as of 31 October 2022: TRY 104 million cash and an undrawn bank facility of TRY 185 million.

Outlook

- The Group continues to trade in line with its formal guidance (as set out below) for FY2022, which was reinstated by management earlier this year.
- Guidance for store openings, LfL growth rates and capital expenditure for 2022 remains unchanged and is as follows:

	Turkey	Russia
LfL growth rate	55 - 65%*	0% (based on RUB)
Domino’s Pizza net store openings	30 - 40	0
COFFY net store openings	20 - 30	-
Capital expenditure	TRY 90 million*	RUB 190 million

* excl. impact of IAS 29 accounting

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

“Trading has continued with solid momentum, and we remain dedicated to our clear and targeted action plan that focuses on three areas – strategic pricing & product innovation, continued digital innovation, and operational efficiencies for sustainable profitability. This approach enables us to combat the high levels of volatility in the regions in which we operate and, as Q4 progresses, we are seeing the impact of our efforts becoming increasingly visible in terms of volume generation and customer acquisition.

“Our Group system sales grew by 11.6% by the end of October with inflation in Turkey stripped out. Our like for like performance broadly caught up with the rapid pace of inflation when adjusted for last year’s VAT advantage thanks to our diligent price adjustments.

“In Russia, we continue to operate in a difficult geo-political and economic environment. As a result, our LfL performance by the end of October was negative. In Russia, we remain focused on store network optimization and efficiency. This business will continue to operate in a self-sustained manner.

“Our focus on product innovation remains integral and allows us to present a broad choice for customers who are seeking value and affordability amid the inflationary environment. One of our new products, Pizzetta, which costs circa USD 1, has become very successful since its launch early October, while we are also introducing a ‘snacks from the oven’ take-away range early next year that will complete our suite of value options.

“We retain a fundamental commitment to ensuring franchisees remain profitable. As a result, franchisee demand is very strong and our Domino’s Pizza store count in Turkey has increased by 31 year-to-date. Given

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our strong pipeline and sustained franchisee interest, we remain confident that 2022 will be another solid year for Domino's Pizza network expansion.

"Our own brand COFFY continues to strengthen its presence with accelerated expansion. With multiple store concepts to fit in with local circumstances, our COFFY network reached 22 stores in four cities by the end of October. Franchisee demand stands very strong owing to COFFY's proven sales performance, and this is likely to carry the total store count above 30 by the end of the year. This demand, alongside our ambitious targets for 2023, will enable us to add further scale to our coffee business."

Enquiries

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A conference call for investors and analysts will be held at 9.00am this morning, which will be accessible using the following details:

Conference call:

UK Toll: +44 3333000804

UK Toll-Free: 08003589473

Pin: 76192848#

URL for international dial in numbers:

https://events-ftp.arkadin.com/ev/docs/NE_W2_TF_Events_International_Access_List.pdf

For further details, please contact Buchanan on +44 20 7466 5000 / dp@buchanan.uk.com.

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 823 stores (637 in Turkey, 171 in Russia, 10 in Azerbaijan and 5 in Georgia as of 31 October 2022) and operates through its owned corporate stores (20%) and franchised stores (80%). In addition to its pizza delivery business, the Group also has its own coffee brand, COFFY, which trades from 22 stores at period-end, 15 of which are franchised. 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.

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The following table shows the Group's online LfL growth ⁽³⁾, broken down by the Group's two largest countries in which it operates, for the periods ended 31 October 2022 and 2021:

Group online system sales LfL growth ⁽³⁾	<i>(pre-IAS 29)</i>		<i>(after IAS 29)</i>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Group ⁽⁴⁾	47.4%	62.4%	-5.5%	42.7%
Turkey	63.3%	78.6%	-5.0%	52.1%
Russia (based on RUB)	-7.2%	15.0%	-7.2%	15.0%

Liquidity

The Group had TRY 104 million cash and an undrawn bank facility of TRY 185 million as of 31 October 2022.

The Group has sufficient liquidity position to enable it to pre-pay its bank borrowings in Russia, despite the recent devaluation of TRY, if required. The Group obtained a waiver (related with net debt/EBITDA ratio) 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 amount under the Sberbank loan currently amounts to RUB 0.7 billion, of which RUB 0.02 billion is supported by a cash collateral deposit.

Notes

⁽¹⁾ IAS 29 'Financial Reporting in Hyperinflationary Economies' is currently applicable in Turkey. Company's interim results for the period ending 30 June 2022, published on 30 September, was adjusted accordingly.

⁽²⁾ COFFY numbers are included in all Turkey and Group figures, unless presented separately. Like-for-like figures exclude COFFY. These numbers are not audited.

⁽³⁾ System sales are sales generated by the Group's corporate and franchised stores to external customers and do not represent revenue of the Group.

⁽⁴⁾ 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 the Group considers to be mature operations. The Group considers mature stores to be those stores 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). This is a non-IFRS measure and non-IFRS measures are not audited.

⁽⁵⁾ Group like-for-like growth is a weighted average of the country like-for-like growths based on store numbers as described in Note (4). This is a non-IFRS measure and non-IFRS measures are not audited.

⁽⁶⁾ Online system sales are system sales of the Group generated through its online ordering channel.

⁽⁷⁾ Delivery system sales are system sales of the Group generated through the Group's delivery distribution channel.

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Appendices

Exchange Rates

Currency	For the period ended 31 October			
	2022		2021	
	Period End	Period Average	Period End	Period Average
EUR/TRY	18.684	16.965	10.998	9.771
RUB/TRY	0.301	0.240	0.135	0.111
EUR/RUB	61.133	73.911	82.290	80.001

Delivery – Take away / Eat in mix

	For the period ended 31 October					
	2022			2021		
	Turkey	Russia	Total	Turkey	Russia	Total
Delivery	73.9%	74.9%	73.9%	79.0%	77.0%	78.5%
Take away / Eat in	26.1%	25.1%	26.1%	21.0%	23.0%	21.5%
Total	100%	100%	100%	100%	100%	100%

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