

**DP Eurasia N.V.**

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

**Trading Update for the Year Ended 31 December 2021**

Strong sales performance sustained

	<b>For the year ended 31 December</b>		<b>Change</b>
	<b>2021</b>	<b>2020</b>	
	<b>(in millions of TRY, unless otherwise indicated)</b>		
<b>Number of stores</b>	<b>809</b>	<b>771</b>	<b>38</b>
<b>Group system sales <sup>(1)</sup></b>			
Turkey	1,704.2	1,069.1	59.4%
Russia	629.4	471.6	33.5%
Azerbaijan & Georgia	45.3	29.2	55.3%
<b>Total</b>	<b>2,378.9</b>	<b>1,569.9</b>	<b>51.5%</b>
<b>Group system sales like-for-like growth<sup>(2)</sup></b>			
<b>Group<sup>(5)</sup></b>	<b>40.6%</b>	<b>17.4%</b>	
Turkey	50.4%	26.0%	
Russia (based on RUB)	9.6%	-12.6%	

**Highlights**

- Group system sales increased 51.5%, on the back of sustained strong demand in Turkey and improving performance in Russia
  - Turkish systems sales growth of 59.4%
  - Russian system sales growth of 33.5% (7.8% based on RUB)
- Group online system sales<sup>(4)</sup> growth of 66.9%
  - Turkish online system sales growth of 84.2%
  - Russian online system sales growth of 37.6% (11.0% based on RUB)
- Online delivery system sales<sup>(3)</sup> as a share of delivery system sales reached 80% (2020: 75%), reflecting DP Eurasia’s continued strong online offering and positioning
- Strong liquidity position - TRY 198.6 million of cash on hand and additional available bank lines of TRY 186.0 million as at 31 December 2021
- 38 net store openings in 2021, supporting the strong franchisee appetite in Turkey
- Jubilant Foodworks Limited, through its wholly-owned subsidiary Jubilant Foodworks Netherlands B.V., increased its shareholding to 40.3% via a reverse bookbuild process and open market purchases

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

“Since our last update in November, I am pleased to report a continued strong trading performance. Group system sales have increased across all regions with our Turkish and Russian operations’ system sales growing by 59.4% and 7.8%, respectively, in local currency terms compared to 2020. Our Turkish like-for-like growth rate compared to the pre-COVID-19 (2019) period reached 88.8%, significantly outpacing inflation of 55.9% over the same period. Our Russian like-for-like growth rate compared to 2019 was -4.4%;

however, we saw an improvement in the last four months of the year, where we achieved a positive like-for-like growth rate compared to the same period in 2019.

“The strong trading has resulted in our best year in terms of store openings in Turkey since our IPO, where we increased our Turkish store count by 39. In Russia, our store numbers decreased by two as we focused on optimizing store coverage areas.

“We are continuing to drive our product innovation strategy, during the fourth quarter we introduced Ocakbaşı pizza in Turkey (a traditional Turkish cooking method for grilling meat and vegetables) and half-and-half pizza in Russia, where customers can choose different toppings for either half of a pizza.

“In 2021, we continued improving the share of digital in our delivery system sales in both Turkey and Russia as well as at the Group level. Our Turkish and Russian operations have reached 76.5% and 92.9%, respectively, in digital delivery sales as a percentage of total delivery sales, signifying improvements of 6.2 and 3.2 percentage points from 2020, respectively. At the Group level 80% of our delivery system sales originated from digital channels.

“Since December, there has been an increase in daily new COVID-19 cases, with Omicron becoming the dominant variant; however, we are not subject to any material operational constraints at this point in any of our trading regions. Vaccination rates are continuing to increase, especially with a marked improvement in Russia.

“We saw increasing inflation in Turkey at the end of 2021, and while this will remain a headwind during 2022, other macro factors, such as GDP growth and foreign trade, remain strong.

“Whilst the Board is conscious of the potential continued risks posed by the pandemic, these trading results give us confidence in the prospects of our business and the Board expects the full year adjusted EBITDA<sup>(6)</sup> for 2021 to be in line with expectations.”

## **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 Free: 08003589473  
UK Toll: 03333000804  
Participant PIN code: 43139676#  
URL for international dial in numbers: [https://events-ftp.arkadin.com/ev/docs/NE\\_W2\\_TF\\_Events\\_International\\_Access\\_List.pdf](https://events-ftp.arkadin.com/ev/docs/NE_W2_TF_Events_International_Access_List.pdf)

A recording of the conference call will subsequently be available at [www.dpeurasia.com](http://www.dpeurasia.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 809 stores (607 in Turkey, 188 in Russia, ten in Azerbaijan and four in Georgia as at 31 December 2021), and operates through its owned corporate stores (24%) and franchised stores (76%). 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.

## Performance Review

Store count	As at 31 December					
	2021			2020		
	Corporate	Franchised	Total	Corporate	Franchised	Total
Turkey	100	507	607	106	462	568
Russia	94	94	188	115	75	190
Azerbaijan	-	10	10	-	9	9
Georgia	-	4	4	-	4	4
<b>Total</b>	<b>194</b>	<b>615</b>	<b>809</b>	<b>221</b>	<b>550</b>	<b>771</b>

### Delivery channel mix and online like-for-like growth

The following table shows the Group's delivery system sales<sup>(3)</sup>, broken down by ordering channel and by the Group's two largest countries in which it operates, as a percentage of delivery system sales for the periods ended 31 December 2021 and 2020:

		For the year ended 31 December					
		2021			2020		
		Turkey	Russia	Total	Turkey	Russia	Total
<b>Store</b>		23.1%	7.1%	20.1%	28.5%	10.3%	23.9%
<b>Online</b>	<b>Group's online platform</b>	25.1%	69.1%	36.3%	25.9%	71.4%	40.0%
	<b>Aggregator</b>	51.4%	23.8%	43.2%	44.3%	18.3%	35.3%
	<b>Total online</b>	76.5%	92.9%	79.6%	70.2%	89.7%	75.3%
<b>Call centre</b>		0.4%	-	0.3%	1.3%	-	0.9%
<b>Total</b>		100%	100%	100%	100%	100%	100%

The following table shows the Group's online like-for-like growth<sup>(2)</sup>, broken down by the Group's two largest countries in which it operates, for the periods ended 31 December 2021 and 2020:

	For the year ended 31 December	
	2021	2020
<b>Group online system sales like-for-like growth<sup>(2)</sup></b>		
<b>Group<sup>(5)</sup></b>	<b>48.8%</b>	<b>45.2%</b>
Turkey	60.3%	54.4%
Russia (based on RUB)	12.4%	13.1%

## **Liquidity**

The Group continues to have a strong liquidity position, having access to cash at hand and additional borrowing capacity available from its Turkish banks. As at 31 December 2021, the Group had TRY 198.6 million of cash on hand and additional available bank lines of TRY 186.0 million.

The Group's strong liquidity position enables it to prepay its bank borrowings in Russia, despite the recent devaluation of TRY, if required, and still maintain a strong liquidity position. The Group obtained a waiver from Sberbank with respect to its covenants for the first quarter of 2022 and is in negotiations to reset the covenants or repay the remaining loan. The principal outstanding under the Sberbank loan currently amounts to RUB 0.9 billion, of which RUB 0.2 billion is supported by a cash collateral deposit.

### **Additional disclosure for the period from 1 March 2021 to 30 September 2021**

As previously noted, Jubilant Foodworks Limited, a significant shareholder in DPEU holding approximately 40.3% of the Company's ordinary share capital, has certain regulatory disclosure requirements regarding its investment in DPEU.

For the period from 1 March 2021 to 30 September 2021, DPEU recorded unaudited profit after tax of TRY 20.8 million and unaudited other comprehensive expense of TRY 33.0 million.

## **Notes**

<sup>(1)</sup> System sales are sales generated by the Group's corporate and franchised stores to external customers and do not represent revenue of the Group.

<sup>(2)</sup> 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).

<sup>(3)</sup> Delivery system sales are system sales of the Group generated through the Group's delivery distribution channel.

<sup>(4)</sup> Online system sales are system sales of the Group generated through its online ordering channel.

<sup>(5)</sup> Group like-for-like growth is a weighted average of the country like-for-like growths based on store numbers as described in Note (2).

<sup>(6)</sup> EBITDA, adjusted EBITDA and non-recurring and non-trade income/expenses are not defined by IFRS. These items are determined by the principles defined by the Group management and comprise income/expenses which are assumed by the Group management to not be part of the normal course of business and are non-trading items. These items which are not defined by IFRS are disclosed by the Group management separately for a better understanding and measurement of the sustainable performance of the Group.

## Appendices

### Exchange Rates

Currency	For the year ended 31 December			
	2021		2020	
	Period End	Period Average	Period End	Period Average
EUR/TRY	14.682	10.423	9.008	8.014
RUB/TRY	0.173	0.119	0.098	0.096
EUR/RUB	84.070	87.188	90.682	82.408
GBP/TRY	17.453	12.116	9.944	8.983

### Delivery – Take away / Eat in mix

	For the year ended 31 December					
	2021			2020		
	Turkey	Russia	Total	Turkey	Russia	Total
<b>Delivery</b>	78.5%	77.8%	78.2%	72.5%	77.7%	74.0%
<b>Take away / Eat in</b>	21.5%	22.2%	21.8%	27.5%	22.3%	26.0%
<b>Total<sup>(2)</sup></b>	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.