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” or the “Group”)

Interim Results, Trading Update and Investor Presentation

DP Poland, the operator of pizza stores and restaurants across Poland, announces its unaudited results for the six months ended 30 June 2021. Extracts from the Group's Interim Report are included at the end of this announcement.

Financial Highlights

- Like for like System Sales in H1 increased by 0.1% year on year to £14.6m (being H1 2021 and H1 2020 on a consolidated basis)
    - Like for like decrease of 1.6% in Q1
    - Like for like increase of 9.3% in Q2
    - Like for like increase of 0.7% in Q3
- EBITDA decreased by 107,5% to a loss of £14k
- Cash at bank of £1.4m as at 30 June 2021 (£0.3m as at 30 June 2020)

Operational Highlights

- The integration with Dominium was completed in July 2021
- A new integrated website was launched, followed by launch of the Android and iOS app
- Commissaries have been expanded and currently supply the entire network
- The new menu, featuring best-selling items, was introduced as of the integration date

Unaudited Pro Forma Information

The Group sets out below unaudited, consolidated pro forma financial information for illustrative purposes only, to provide information about how the acquisition of Dominium S.A., which completed on 8 January 2021, has affected the trading results of the Group for the six months ended 30 June 2021.

£'000	**H1 2020**	**H1 2021**	**% change**
System Sales	14,507	14,576	0.1%
Revenue	13,687	13,813	0.9%
EBITDA*	189	- 14	-107.5%
margin %	*1.4%*	*-0.1%*	
Loss for the period	- 2,928	- 1,904	34,9%

Trading Update and Investor Presentation

DP Poland also provides an unaudited trading update for the 9 month period to 30 September 2021 (“YTD21”) and an insight into trading for the start of October 2021.

During H1, the Group still had two brands predominantly operating in parallel which limited operating benefits and higher costs as a result of largely separate marketing efforts. In addition, inefficiencies remained from overlapping delivery areas with the two brands still delivering in parallel.

Key takeaways from the change in sales mix:

- Proves loyalty of customers, as customers are migrating from delivery to dine-in and back, depending on the circumstances
- Dine-in is in principle more profitable than delivery, due to lack of the delivery cost
- The business is heading towards COVID-19 neutrality, as customers switch from dine-in to delivery during lockdown periods and vice versa (from delivery to dine-in) as restrictions were eased

PLNm	*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%**

PLNm	*3Q2019*	*3Q2020*	*3Q2021*	*% 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%**

The Group has started to see a positive trend in the Group's EBITDA performance as the group adjusts following completion of the integration and a period of substantial one-off integration costs and operating efficiencies incurred over January to July 2021.

Integration synergies extracted over time:

- There is some lead time of restructuring efforts, since the cost benefits can materialize only after the passing of contractual notice periods
- The conversion of Dominium restaurants was spread over three months
- Furthermore, after the integration was completed, some synergies have been materializing over a period of time. There is a learning curve for customers as well as the Group itself, as it adjusts to new operational processes

Sales mix affects the margin:

- Dine-in business was loss making during lockdown periods as a result of the restaurants being closed (with February to April 2021 being a period of tighter lockdown in Poland than in many other countries)

Q2 2021 started to see a gradual softening of COVID-19 measures:

- Dine-in restrictions gradually eased starting from mid-May
- No state support for mid-sized businesses in 2021

Following completion of the integration in July 2021, Q3 proved to be a period of learning and adjustment.

- Some of the customers visiting Dominium website, while being redirected to the Domino's website, were confused by the new look and menu and did not progress to order. This has been addressed in September with the introduction of a special promotion for migrating Dominium customers
- The poorest performing menu items from both brands have been discontinued to simplify the combined menu. This may temporarily impact the sales performance, as customers of the discontinued items need to find their new favorite items
- Delivery times may have increased in the initial months, as the delivery areas for individual stores were redesigned. Stores had to adjust to the revised delivery volumes, while the drivers to their new delivery areas

Trading performance for the first 17 days of October has been strong showing 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

The Directors believe that the improving performance in October is predominantly a result of students returning to schools and universities, marketing campaigns launched in Warsaw, the Group's strong e-commerce platform and tailored marketing activity, new online application launched and a boost in site visits and conversion.

The Directors further believe that continued LFL revenue growth will be driven by an improved market backdrop as customers return to cites and dine-in, a better value proposition to customers as a result of faster delivery times and convenience and through the Group's further enhancement of digital marketing. In addition, the Group expects to be cash generative during Q4 2021.

A presentation has been published in relation to the Group's unaudited trading update for the YTD21. The presentation will be made available on the Company's website at www.dppoland.com.

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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.

Chief Executive's Review

Group performance

On January 8, 2021 the acquisition of Dominium S.A. by DPP was formally completed. Consequently, the interim results for the six month period ending 30 June 2021 are the first results relating to the Enlarged Group.

The first half of the year was a challenging period, both internally, as a result of the integration of the two businesses, and externally due to the ongoing impact of COVID-19 and an increase in the average cost of raw ingredients towards the end of H1. I am pleased with management's navigation through the period and, while the financial results are reflective of the challenges we have faced, I am happy report that we have achieved our desired outcome – an integrated business well placed for profitable growth trajectory.

Store performance

System Sales in the H1 2021 period increased by 0.1% year on year to £14.6m.

As a result of the COVID-19 outbreak early in the year and the consequent lockdown in Poland, like-for-like System Sales in the first half of the year decreased by 1.6% compared to the prior period. However, we recovered quickly from the initial lockdown, achieving positive like-for-like sales in Q2 and better like-for-like sales in Q3. System Sales growth continues in October to date.

Like-for-like System Sales growth per quarter were as follows:

Q1	-1.6%
Q2	+9.3%
Q3	+0.7%

We are delighted to observe strong performance in a number of cities, notwithstanding the COVID-19 impact, with double digit revenue growth. However, commercial areas such as shopping malls have remained quiet following the COVID-19 lockdown earlier in the year, and this has been reflected in the performance of stores in these areas, such as Warsaw. We have begun to see recovery during October, due to the start of the academic year.

Marketing and product innovation

Our focus following the merger was to identify synergies and drive maximum value through the integration of two marketing departments.

We have implemented a Digital Experience Platform for sustainable growth and industry leadership, launching our new DPP website and an Android/iOS app, operated by Dominium S.A.. This will become the ultimate app for both companies. We have merged many marketing functions and areas, including Google Analytics and Google Ads. We have also overcome many challenges, including GDPR.

In the summer of 2021, we introduced a new menu in all stores, which includes a selection of bestsellers from Domino's and Dominium to provide the best customer experience.

Our stores are now fully integrated with the website, Android and iOS as well as with the central data warehouse, leveraging the opportunity to take Big Data-driven decisions, applying descriptive, predictive and prescriptive analytics. As a result, we have been designing and testing customer segmentation models to drive marketing activities, developing and testing channel strategies to increase the effectiveness of sales channels, including food aggregators. We have also been optimising promotional activities, using personalised information to tailor promotions, and applying Marketing Automation – using the embedded functionality of the new Digital Experience Platform.

Food aggregators

Aggregators are 'search engines' for food and we want to be visible in those search engines. Our interaction with the food aggregators Pyszne.pl (takeaway.com), Glovo and UberEats has been positive. We have improved our business terms with aggregators and have merged the accounts of DP Polska S.A. and Dominium S.A.

Our objective is to generate incremental orders with a higher average spend; we are broadly satisfied with the early results.

Integration completion

Despite the effects of COVID-19 throughout 2021, we have successfully integrated with Dominium S.A.. The integration plan ran smoothly in the following areas:

- Operations

We have adapted the technical equipment of Dominium stores to the requirements of DPI. We have developed food safety procedures and trained staff.

In regions where both brands are present, we have optimised our delivery strategy. Consequently, we have the largest network of pizzerias in areas such as: Warsaw, Wrocław, Kraków, and Silesia.

- Franchise

At the time of the preliminary analysis of the two companies which took place before the merger, we decided to buy-out the sub-franchise stores which overlapped with corporate stores, in terms of their delivery zones. As a result, we took over 7 stores from franchisees at the end of last year. This year, we have taken over another 10 stores.

We currently cooperate with 4 sub-franchisees, who operate 8 stores in total.

Our primary focus for the coming months is on improving the performance of all franchised stores.

Once the stores reach satisfactory KPIs, we will offer some of the locations to existing or new sub-franchisees.

- Commissaries

Commissaries in DPP were expanded to a larger scale than before the transaction, and both commissaries can now work at the capacity for which they were built.

The Commissary will now form a separate business unit, which buys ingredients from third party suppliers, and sells to all stores, at market prices. This approach helps us to better assess the Commissary's contribution to profitability and to better manage its performance.

We have concluded that it is economical to outsource logistics to an external company, Berto.

- HQ integration

We have successfully integrated both teams using the best talent from both organisations. We had to unify the remuneration policy, which resulted in a small number of staff in headquarters leaving the organisation over the last 6 months. However, we believe we now have a stable and dedicated team.

We have terminated the lease of the DPP headquarters and moved staff to the Dominium head office, which has decreased rental and other operative costs.

Our initial plans assumed full integration at the beginning of March this year. However, due to complex technical issues with the integration of the PULSE system, which completed in June, we reached full integration in July.

Our vision is to make Domino's Pizza Poland the largest and most efficiently-run pizza operator in Poland and to emulate the success of major Domino's Pizza franchises across the globe, delivering attractive returns to our shareholders and the best-in-class value for our customers.

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Notes to editors:

DP Poland, through its wholly owned subsidiary DP Polska S.A. and Dominium S.A., has the exclusive right to develop, operate and sub-franchise Domino's Pizza stores in Poland.

Group Income Statement
for the six months ended 30 June 2021

		Unaudited 6 months to 30.06.21 £	*Unaudited* 6 months to 30.06.20 £	*Audited* Year to 31.12.20 £
Revenue		13,813,115	6,694,745	13,982,764
Direct costs		(11,585,559)	(5,040,613)	(10,998,475)
Selling, general and administrative expenses - excluding: store pre-opening expenses, depreciation, amortisation and share based payments		(2,241,691)	(1,079,240)	(2,314,333)
GROUP EBITDA - excluding non-cash items, non-recurring items and store pre-opening expenses		(14,135)	574,892	669,955
Store pre-opening expenses		-	-	-
Other non-cash and non-recurring items		449,185	138,708	479,901
Finance income		475,515	1,980	4,017
Finance costs		(646,244)	(536,933)	(1,312,995)
Foreign exchange gains / (losses)		288,104	(2,037)	(195,381)
Depreciation, amortisation and impairment		(2,420,718)	(1,345,684)	(2,652,861)
Share based payments		(35,541)	-	-
Loss before taxation		(1,903,834)	(1,169,073)	(3,007,364)
Taxation		-	-	-
Loss for the period		(1,903,834)	(1,169,073)	(3,007,364)
Loss per share	Basic	(0.003 p)	(0.15 p)	(0.37 p)
	Diluted	(0.003 p)	(0.15 p)	(0.37 p)

Group Statement
of comprehensive income
for the six months ended 30 June 2021

	Unaudited 6 months to 30.06.21 £	*Unaudited* 6 months to 30.06.20 £	*Audited* Year to 31.12.20 £
Loss for the period	(1,903,834)	(1,169,073)	(3,007,364)
Currency translation differences	440,759	(37,497)	46,152
Other comprehensive expense for the period, net of tax to be reclassified to profit or loss in subsequent periods	440,759	(37,497)	46,152
Total comprehensive income for the period	(1,463,075)	(1,206,570)	(2,961,212)

Group Balance Sheet
at 30 June 2021

	Unaudited 30.06.21 £	*Unaudited* 30.06.20 £	*Audited* 31.12.20 £
Non-current assets			
Goodwill	11,985,453	-	-
Intangible assets	5,491,933	5,158,135	4,762,157
Property, plant and equipment	7,224,508	1,597,746	1,289,390
Leases - right of use assets	7,482,206	4,576,645	4,222,502
Deferred tax asset	29,517	31,757	30,645
Financial assets	-	1,023	987
Trade and other receivables	573,995	-	-
Finance lease receivables	951	-	-
	32,788,563	11,365,305	10,305,681
Current assets			
Inventories	808,837	176,324	193,660
Trade and other receivables	1,996,444	655,164	556,812
Cash and cash equivalents	1,420,070	329,753	34,651
	4,225,352	1,161,240	785,123
Total assets	37,013,915	12,526,546	11,090,804
Current liabilities			
Trade and other payables	(5,842,319)	(2,250,280)	(3,216,024)
Borrowings	-	(5,640,654)	(5,966,881)
Lease liabilities	(2,288,390)	(1,442,294)	(1,515,523)
Provisions	(128,153)	(556,159)	(168,284)
	(8,258,861)	(9,889,387)	(10,866,712)
Non-current liabilities			
Deferred tax	(8,920)	(9,597)	(9,261)
Trade and other payables	-	(387,506)	-
Lease liabilities	(6,895,321)	(3,584,492)	(3,313,908)
Borrowings	(5,703,224)	-	-
	(12,607,465)	(3,981,595)	(3,323,169)
Total liabilities	(20,866,326)	(13,870,982)	(14,189,882)
Net assets	16,147,589	(1,344,436)	(3,099,078)
Equity			
Called up share capital	2,909,941	1,648,700	1,648,700
Share premium account	39,884,715	8,124,915	8,124,915
Capital reserve - own shares	(48,163)	-	-
Retained earnings	(14,787,138)	(11,080,555)	(12,918,845)
Merger relief reserve	21,282,500	-	-
Currency translation reserve	486,911	(37,497)	46,152
Reverse Takeover reserve	(33,581,176)	-	-
Total equity	16,147,589	(1,344,436)	(3,099,078)

Group Statement of Cash Flows

for the six months ended 30 June 2021

	Unaudited 6 months to 30.06.21 £	*Unaudited* 6 months to 30.06.20 £	*Audited* Year to 31.12.20 £
Cash flows from operating activities			
Loss before taxation for the period	(1,903,834)	(1,169,073)	(3,007,364)
Adjustments for:			
Finance income	(44,670)	(60)	285,943
Finance costs	198,448	533,019	1,212,431
Depreciation and amortisation and impairment	2,420,718	1,345,684	2,652,861
(Profit) on disposal of property, plant and equipment	(559,945)	77,746	75,479
Share based payments expense	35,541	-	-
Operating cash flows before movement in working capital	146,258	787,315	1,219,352
Change in inventories	(198,096)	38,069	14,604
Change in trade and other receivables	(1,082,455)	(187,714)	(122,625)
Change in trade and other payables and provisions	(32,286)	233,510	573,930
Cash (used in) / provided by operations	(1,166,580)	871,180	1,685,260
Taxation paid	-	-	-
Net cash from operating activities	(1,166,580)	871,180	1,685,260
Cash flows from investing activities			
Payments to acquire property, plant and equipment	(372,422)	(56,338)	(115,656)
Payments to acquire intangible fixed assets	(187,013)	(29,977)	(33,393)
Lease and other deposits repaid / (advanced)	-	-	-
Proceeds from disposal of property plant and equipment	25,823	3,432	8,183
Net movement in loans to sub-franchisees	20,054	-	-
Interest received	12,197	-	-
Net cash used in investing activities	(501,361)	(82,883)	(140,867)
Cash flows from financing activities			
Net proceeds from issue of ordinary share capital	3,266,831	-	-
Proceeds from borrowings	-	174,024	234,725
Repayment of borrowings and lease liabilities	(1,224,722)	(623,010)	(1,414,978)
Interest paid	(374,719)	(238,916)	(550,266)
Net cash (used in) / from financing activities	1,667,390	(687,902)	(1,730,519)
Change in cash and cash equivalents	(550)	100,395	(186,125)
Exchange differences on cash balances	49,713	11,139	2,558
Cash and cash equivalents at beginning of period	1,370,907	218,219	218,219
Cash and cash equivalents at end of period	1,420,070	329,753	34,651

Group Statement of Changes in Equity

for the six months ended 30 June 2021

	Share capital	Share premium account	Retained earnings	Currency translation reserve	Capital reserve - own shares	Reverse Takeover reserve	Merger Relief reserve	Total
	£	£	£	£	£	£	£	£
At 31 December 2019	1,648,700	8,124,915	(9,911,482)	-	-	-	-	(137,866)
Shares issued	-	-	-	-	-	-	-	-
Expenses of share issue	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-
Translation difference	-	-	-	(37,497)	-	-	-	(37,497)
Loss for the period	-	-	(1,169,073)	-	-	-	-	(1,169,073)
At 30 June 2020	1,648,700	8,124,915	(11,080,555)	(37,497)	-	-	-	(1,344,436)
								-
Shares issued	-	-	-	-	-	-	-	-
Expenses of share issue	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-
Translation difference	-	-	-	83,649	-	-	-	83,649
Loss for the period	-	-	(1,838,290)	-	-	-	-	(1,838,290)
At 31 December 2020	1,648,700	8,124,915	(12,918,845)	46,152	-	-	-	(3,099,078)
Transfer to reverse takeover reserve	(1,648,700)	(8,124,915)	-	-	-	9,773,616	-	-
Recognition of DP Poland Plc equity	1,270,543	36,838,450			(48,163)	(20,653,460)		17,407,370
Reverse takeover of Dommium	1,418,832	-	-	-	-	(22,701,332)	21,282,500	-
Share issue (net of costs)	220,566	3,046,265	-	-	-	-	-	3,266,831
Translation difference	-	-	-	440,759	-	-	-	440,759
Share based payments	-	-	35,541	-	-	-	-	35 541
Loss for the period	-	-	(1,903,834)	-	-	-	-	(1,903,834)
At 30 June 2021	**2,909,941**	**39,884,715**	**(14,787,138)**	**486,911**	**(48,163)**	**(33,581,176)**	**21,282,500**	**16,147,589**

Notes to the Interim Financial Statements

for the six months ended 30 June 2021

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 Chief Executive Officer Piotr Dzierżek.

The Interim Financial Statements are for the 6 months ended 30 June 2021 and are presented in Sterling, which is the presentational currency of the Group. On 8 January 2021 the Company completed a reverse acquisition of Dominium S.A. a company registered in Poland. Further information about the transaction is disclosed in note 6. Although the transaction resulted in Dominium S.A. becoming a wholly owned subsidiary of the Company in accordance with IFRS 3 ‘Business Combinations’ the transaction constitutes a reserve acquisition as the previous shareholders of Dominium S.A. own the majority of the shares of the Company and the directors of Dominium S.A. make up the majority of the Company’s board. In substance, the shareholders of Dominium S.A. acquired a controlling interest in the Company and therefore the transaction has been accounted for as a reverse acquisition.

In accordance with IFRS 3 ‘Business Combinations’ Dominium S.A. has been identified as the accounting acquirer (although it is the legal subsidiary) and therefore the comparative data presented in these interim financial statements represents the results for and the position of Dominium S.A. only.

The financial statements for the year ended 31 December 2020, which were prepared in accordance with International Financial Reporting Standards (‘IFRS’), in conformity with the requirements 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, Elder House, St Georges Business Park, 207 Brooklands Road, Weybridge, Surrey KT13 0TS, or from our website www.dppoland.com.

Going Concern
The Directors must make an assessment as to whether the Group is a going concern. In forming their views, the Directors have prepared cash flow forecasts for a 12 month period following the date of signing the balance sheet. As part of the preparation of these forecasts, the Directors have estimated the likely outcome for the number of new stores opened. Before entering into a contract to acquire a new site, the Directors ensure that the Group has sufficient working capital available to allow the completion of the outlet. Based on these forecasts, the Directors have confirmed that there are sufficient cash reserves to fund the business for the period under review. After reviewing these forecasts, consideration of the Group’s cash resources and other appropriate enquiries, the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

2 Revenue

	Unaudited 6 months to 30.06.21	*Unaudited 6 months to 30.06.20*	*Audited Year to 31.12.20*
	£	£	£
Core revenue	13,813,115	6,694,745	13,982,764
Other revenue	-	-	-
	13,813,115	6,694,745	13,982,764

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 30.06.21 £	*Unaudited* 6 months to 30.06.20 £	*Audited* Year to 31.12.20 £
Current tax	-	-	-
Deferred tax charge relating to the origination and reversal of temporary differences	-	-	-
Total tax charge in income statement	-	-	-

4 Earnings per ordinary share

The loss per ordinary share has been calculated as follows:

	Unaudited 6 months to 30.06.21	*Unaudited* 6 months to 30.06.20	*Audited* Year to 31.12.20
Profit / (loss) after tax (£)	(1,903,834)	(1,169,073)	(3,007,364)
Weighted average number of shares in issue *(excluding EBT held shares)*	566,719,433	8,060,000	8,060,000
Basic and diluted earnings per share (pence)	(0.003 p)	(0.15 p)	(0.37 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 2020 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 2020, available from www.dppoland.com and remain unchanged. The board have considered whether there are any changes in the risks and uncertainties faced by the Group following the reverse acquisition and have concluded they remain unchanged

6 Reverse acquisition

With effect from 8 January 2021, the Company became the legal parent of Dominium S.A.. The aggregate consideration paid by the legal acquirer was £23,871,998 satisfied by the issue of 283,766,661 new ordinary shares of the Company issued at 8p per ordinary share and £1,170,665 by way of a 1.3m EUR loan note issued in favour of Malaccan Holdings Ltd the former owner of Dominium S.A..

Under IFRS 3, due to the relative values of the companies, the transaction is treated as a reverse acquisition with Dominium S.A. as the accounting acquirer and the pre-acquisition DP Poland Group as the accounting acquiree. Malaccan Holdings Ltd became the majority shareholder with approximately 52.8% of the share capital of the enlarged Group at the time of the transaction. Malaccan Holdings Ltd has subsequently reduced its holding to 45% of the issued share capital.

The Directors believe that the combination of the two businesses will place the Company within the top three pizza chains in Poland in terms of stores and restaurants. The acquisition will almost double the number of stores within the Company's portfolio and will provide a basis for further expansion and market penetration into new cities and towns. There are a number of cost savings and synergies which have arisen from the acquisition.

The fair value of the assets and liabilities acquired by the accounting acquirer are as follows:

	8 January 2021 £'000	Fair value adjustment £'000	Total £'000
Intangible assets	462	568	1,030
Property, plant and equipment	5,779	-	5,779
Leases - right of use assets	5,174	-	5,174
Inventories	442	-	442
Trade and other receivables	2,494	-	2,494
Cash and cash equivalents	1,336	-	1,336
Trade and other payables	(3,414)	-	(3,414)
Income tax payables	-	-	-
Borrowings	(92)	-	(92)
Lease liabilities	(6,312)	-	(6,312)

Total identifiable net assets	5,869	568	6,437
Goodwill on acquisition of the DP Poland Group	12,554	(568)	11,986
Consideration paid by the accounting acquirer	-	-	18 423

Acquisition expenses
The advisors' and other costs incurred by DP Poland plc (the legal acquirer) in acquiring Dominium S.A. amounted to £1,129,643 of which £1,085,573 was incurred during 2020. The expense is presented in the Group Income Statement under 'Other non-cash and non-recurring items'.

Intangible assets
The intangible assets acquired by the accounting acquirer relate to: Franchise fees, intellectual property rights, software and the capitalised loan discount relating to sub-franchisee loans

Trade and other receivables
The Directors consider that the gross contractual amounts of trade receivables and loan receivables are not materially different to the fair values

Borrowings
As part of the reverse acquisition DP Poland plc (the legal acquirer) issued a €1.3million loan note in favour of Malaccan Holdings Ltd the former owner of Dominium S.A.. In addition, outstanding debt of €6.2 million (approximately £5.6 million) that was previously due from Dominium to Malaccan Holdings under certain existing Shareholder Loans was converted into a further unsecured loan note of €6.2 million being issued to Malaccan Holdings on the same terms and in substitution for that outstanding debt. In aggregate, therefore, €7.5 million Loan Notes were issued by DP Poland plc and remain outstanding to Malaccan Holdings upon completion of the acquisition of Dominium S.A.. The Loan Notes are not convertible.

Goodwill
The goodwill recognised by the accounting acquirer is equal to the consideration (as determined under IFRS 3) which was paid by the accounting acquirer less the fair value of the assets and liabilities acquired with the accounting acquiree. The fair value adjustment amounted to £0.6 milion and is presented in Intangible Assets as Master Franchise agreement asset. The asset will be amortised thru the period of 15 years. The goodwill recognised is made up by the expected synergies of the enlarged business and it is expected that the improved scale of the enlarged business will help the Company to achieve its objective of becoming a market leader in Poland.