



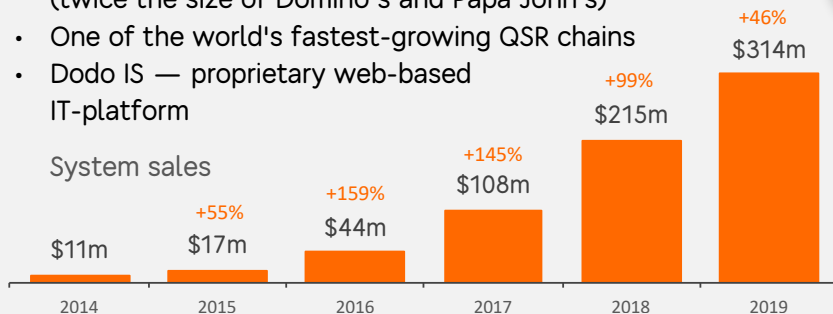
Dodo Pizza China
Investment presentation
May 2020



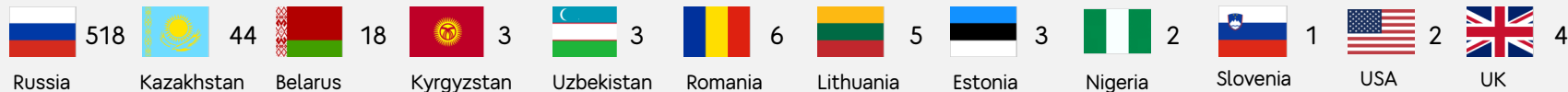


Dodo Pizza today

- Founded in 2011
- **611 pizza stores in 13 countries**
- System sales in 2019 – **\$313 million**
- Dominant #1 pizza chain in the Russian market (twice the size of Domino's and Papa John's)
- One of the world's fastest-growing QSR chains
- Dodo IS — proprietary web-based IT-platform



Store count by countries



Fastest-Growing Chain in Europe
and the Middle East, 2018

EUROPE & MIDDLE EAST
foodservice



Growth Chains to Know,
2018 Globally

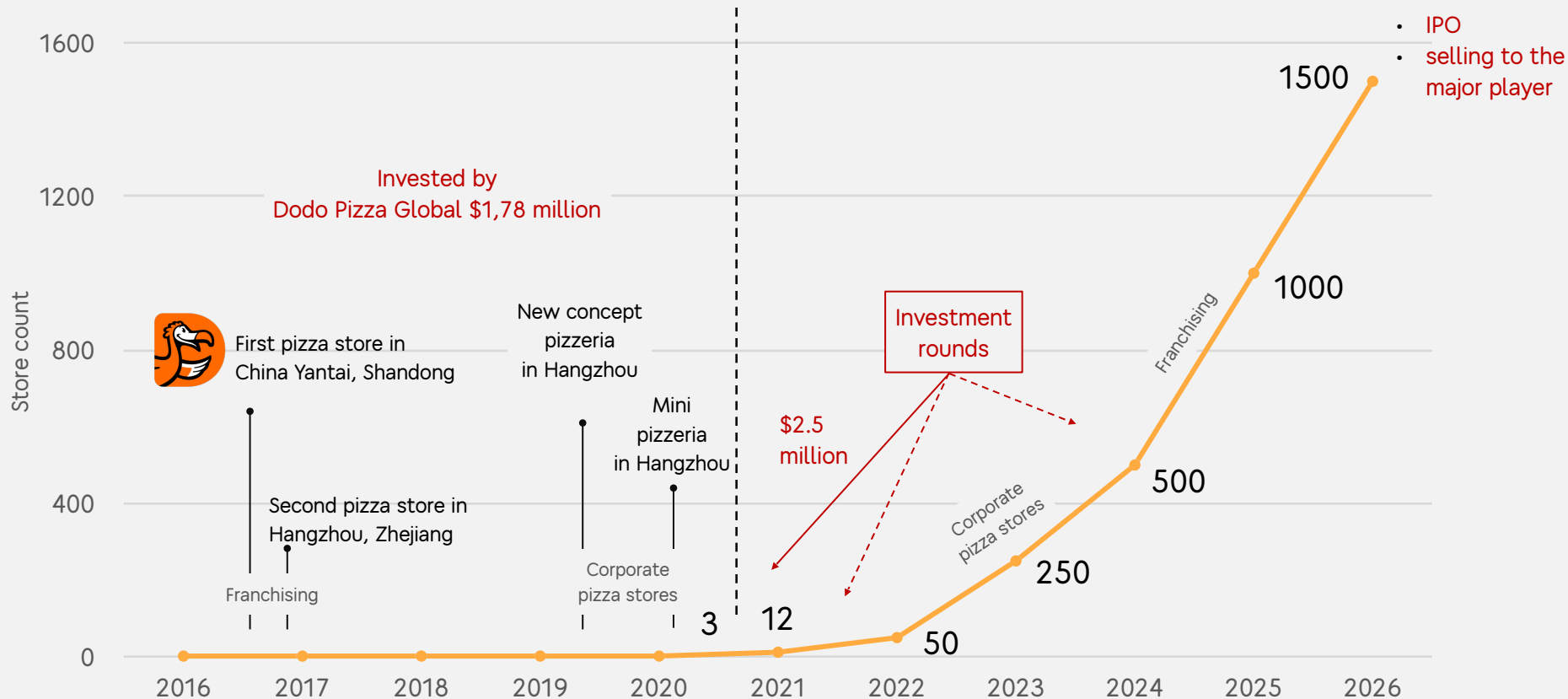


Technomic
A Winsight Company





Dodo Pizza in China





Dodo China Investment Proposition

1

Fast-growing China middle class hungry for Western QSR brands

2

Highly-rated cravable product based on the innovative crust recipe

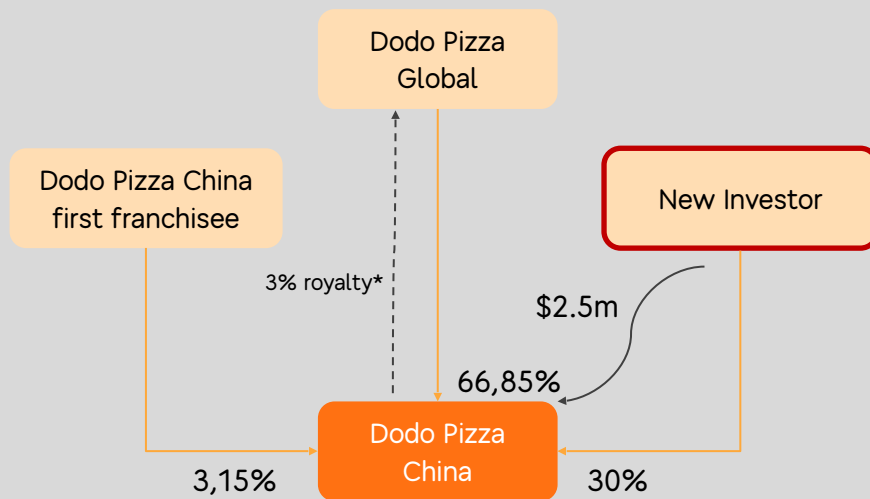
3

Compact digital-first store model promises strong scalable economics

4

Founder-led experienced team with full support from the global platform

Target Structure



* Master-franchising royalty equal to 3% of net sales payable starting from 2024

China - the worlds' largest foodservice market

A huge potential for the development of QSR:

- growing middle class and domestic consumption
- demand for food safety, quality and service is rising
- expansion of malls and shopping areas suitable for QSR chains
- restaurant chains and brands gain more credibility among consumers



The Chinese foodservice market is vast and diverse. Therefore there is a place for Western global concepts and brands.



In the market since 1987
Store count: 6661

~5800



In the market since 1990
Store count: 2700

~2700



In the market since 1999
Store count: 4123

~3700

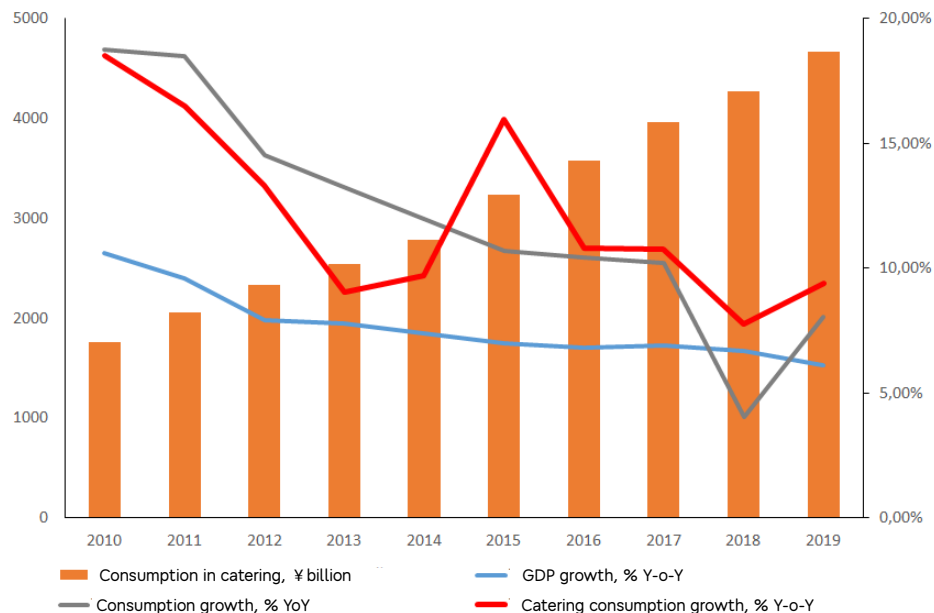


In the market since 2005
Store count: 1050

~1050

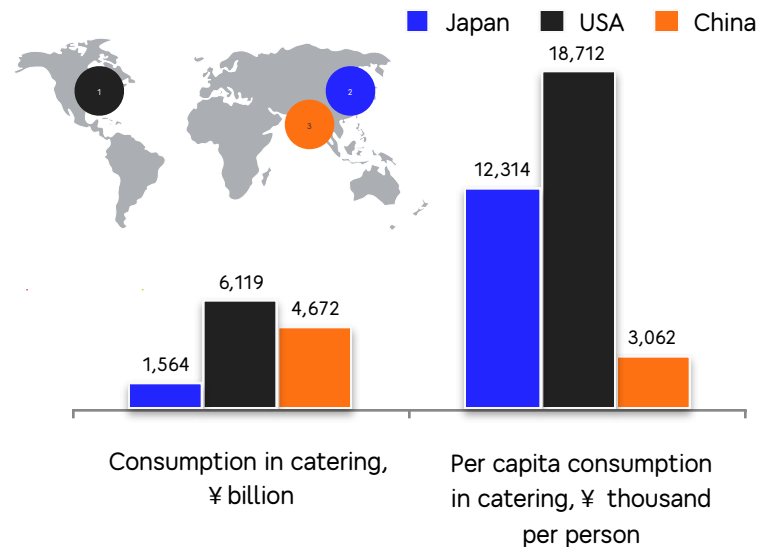
The catering industry in China

- In 2019 the catering market in China reached ¥ 4.7 trillion in volume (\$670 billion) which is a plus of 9.4% compared to 2018
- Since 2015, the catering industry has been growing faster than GDP and consumption in other sectors



- In 2019, per capita consumption in the catering industry in China amounted to just ¥ 3062 (\$437).
- For comparison, the same metrics in the USA and Japan amounted to ¥ 18712 (\$ 2673) and ¥ 12314 (\$1759) respectively

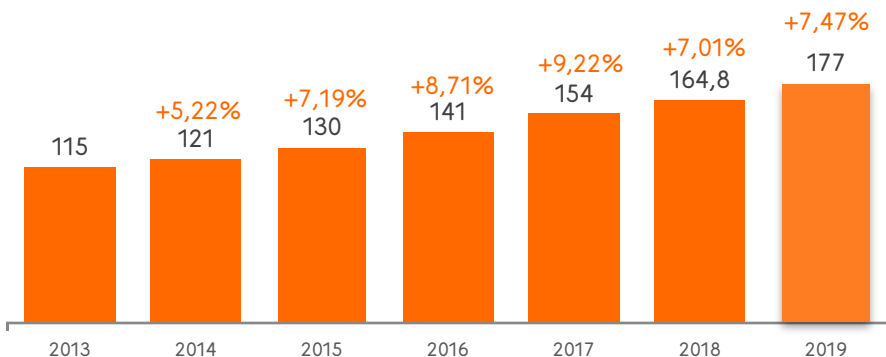
This shows a huge growth potential for the catering industry in China



Western QSRs in China

- In 2018, Western QSRs total sales in China reached ¥164.8 billion (\$23.88 billion).
- It was a plus of 7.5% compared to 2017
- The total number of Western QSR units exceeded 70,000
- Total sales reached ¥177 billion (> \$25.3 billion) in 2019

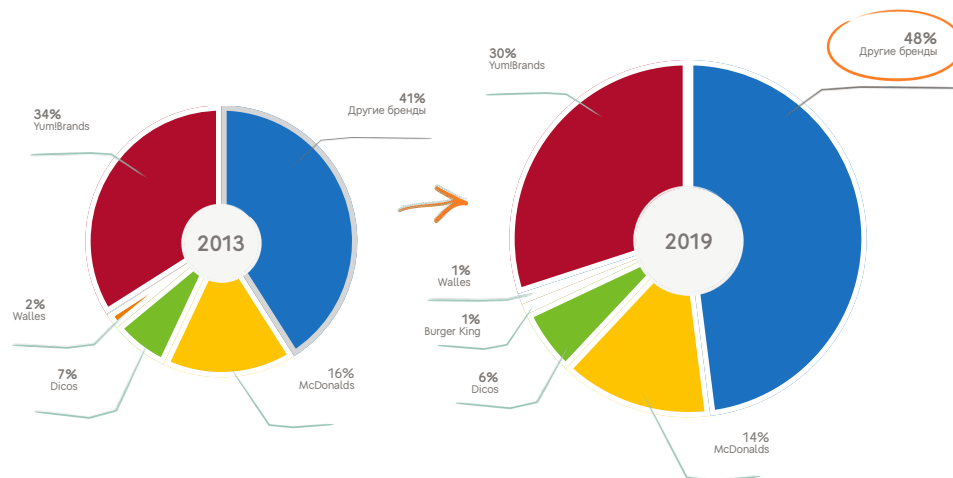
China's fast food market profit in 2019 amounted to ¥69.3 billion (\$9.9 billion) with an increase of 8.26% YoY
- the State Statistics Service of China



Sales of Western QSR brands in China, ¥ billion

New brands, concepts and products are seizing the share of the growing Western QSR market in China from the old players

The monopolization of Western QSR in China is more obvious than in any other catering market. As for today, the five biggest players control 52% of the market but their share has been steadily decreasing over the past 7 years



Is there a place for pizza in China?

Customers in China know and love pizza.
In 1990, the first international pizza chain Pizza Hut entered the Chinese market. Within 30 years, it has become a legend. Nowadays, pizza is one of the most famous western products in China



In the market since 1990
Store count: 2200



In the market since 2005
Store count: 250



In the market since 2005
Store count: 160



The Chinese pizza market is poised to grow. Why?

- China — still remaining a separate civilization — is inevitably globalizing. More and more young people are willing to consume global brands along with traditional Chinese cuisine. The invasion of coffee industry and the growth of Starbucks and the success of KFC and Pizza Hut in China are among the best examples of the trend.
- Pizza as a product has constantly proved its ability to adapt culturally and tastefully to different markets (for example, in India, Korea, and Japan)
- Pizza has also been adapting to China - this is evidenced by the emergence and rapid growth of local Chinese pizza chains

Local Chinese pizza brands

Magritta – 600+

Mua Pizza - 200+

Zhigen Zhidi - 200+

Champion Pizza - 200+

La Cesar - 130+





Dodo Pizza in China

Dodo Pizza has been operating in China since June 2016. We have come a long way within 4 years - gained experience and knowledge, created a unique pizzeria format adapted to the Chinese market. In the next 10 years, we aim to rank among China's top-3 pizza chains.



The Pizza Day in Dodo Pizza, Yantai, Shandong province, 2017

How Dodo Pizza evolved in China and what we have accomplished

We entered the market applying the classic western model of pizza delivery perfected globally by Domino's Pizza

What defines this model?

- Focus on delivery and takeaway
- Second-rate locations with low rent and low footfall
- Pizza made from fresh dough in 8-12 minutes, which is acceptable for delivery but too long for dine-in

In June 2016, the first franchised pizzeria was opened in Yantai, Shandong (6.5 million citizens), and in December 2016 — a franchised pizzeria in Hangzhou, Zhejiang (9.5 million)



Reinvention of the business model

The unit in Yantai has reached its operating profit and remains open. The unit in Hangzhou never became profitable and was closed by a franchisee partner in January 2019 after a decision of changing the entire concept was made.

We didn't expect the first units in China to become successful as standalone facilities. The Chinese mass catering market is perhaps one of the most competitive in the world. In order to succeed, you need to create brand awareness and provide a steady presence in the market. The first pizzerias became our "test labs" and gave us valuable insights.

We realized that the Western pizza delivery restaurant format would be extremely hard to scale in China. So prior to scaling we needed to find a business model that would match the characteristics of the market.



What defines the Chinese delivery market?

The Chinese food delivery service is relatively recent. It appeared much later than food delivery in western countries where pizza delivery became widespread starting from 1960s. China reached its food delivery peak along with the development of Internet services.

Food delivery in the West was firmly associated with one product — pizza (it still maintains a large share of delivery in the Western world). Consumers in China have a big choice of delivery products, and pizza is not considered to be a top one. The food delivery market in China is entirely controlled by two aggregators — Meituan and Ele.me. Brand promotion on aggregators requires huge investments and completely depend on the platforms' policies. Under such conditions, the “western model” delivery concept seem ineffective for building a strong brand.

We realized we had to change our business model in order to succeed in the Chinese market.



Adapting **pizza delivery** to the Chinese market

Full service

Classic pizzerias with servers and a complex menu. This was a way for Pizza Hut and Papa Johns in China



- Abandoning the familiar **quick service** business model for a competitive and ever-changing **casual dining** area
- Complicated operational model
- Significant investments in one location

Quick service

No servers, new format — effective in areas with expensive rent and high footfall



Creating a new concept



New concept in China: Dodo Pizza Express

Two main features

Pre-baked dough

Based on the Roman pizza technology, we created a pre-baked crust for pizza: crusts are pre-baked in a dough commissary, frozen and delivered to the pizzeria. The product is highly rated by consumers in comparison with our competitors. The finished crust is soft, light and fluffy

Benefits

- 4-5 minutes to make 1 pizza
- Pizza crusts require small storage space
- No need for complicated staff training — the pizza process is very simple

Mobile App

To take orders and replace the cashiers

- Increased labour productivity in the pizzeria
- Transparent customer base and analytics
- Direct communication with guests — “ownership” of the customer base

Small kitchen area

- Ability to use high-cost areas on pedestrian traffic
- Brand visibility

High productivity



Pizzeria of the future in Hangzhou

In April 2019 we launched our first concept pizza store in Hangzhou, Zhejiang province

Why Hangzhou?

- Familiar market - first partner's unit launched in 2016
- Modern and well-developed city (10 million citizens)
- One of China's technology centres (Alibaba headquarter)
- Close to Shanghai (177 km)





What is the concept of



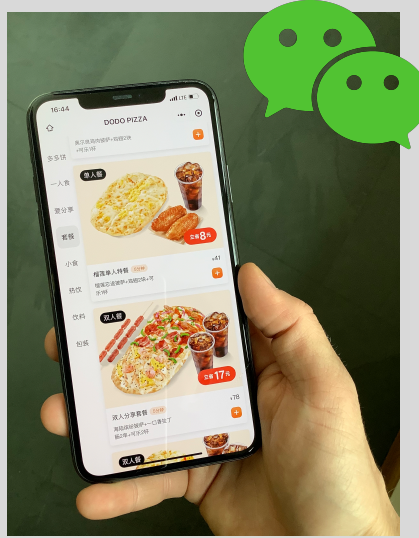
Dodo Pizza Express in Hangzhou



The format of Dodo Pizza Express



- The pizzeria is located in a high footfall area
- Small kitchen — 7-12 sq.m
- Sales channels: dine-in, to-go, and delivery



- No cashiers and cashdesk
- Orders are taken via mini-app in WeChat messenger



- Original square-shaped pizza
- Light fluffy crust
- 5 min to process an order

Dough production center in Hangzhou



Pizza crusts are made in a dough commissary center in Hangzhou. Based on the Roman pizza technology, we developed our own recipe for a pre-baked crust made of Chinese flour



Crusts are pre-baked to a state that allows the team to finish baking in the pizzeria's oven



After pre-baking the crusts are blast-frozen. Shelf life of a frozen crust is up to 12 months.



The main feature of our technology is that the final product made out of frozen crust has superior taste as compared with local competitors based on our surveys.



The dough is airy and light. That gives the product an advantage for delivery and take-away format

Know-how: an original technology

The production process inside the pizzeria



Frozen pizza crusts are delivered to pizzerias. They require less space than fresh dough stored in trays. This makes the kitchen very compact and allows us to store twice more crusts



The process of making a pizza is very simple. Pizza crust does not require defrosting before baking. Frozen crust is just topped with fresh ingredients, sauce, and cheese



Then pizza is placed in the conveyor oven. The baking process does not require any supervision from the staff



In just **3 minutes** the pizza is ready in the back of the conveyor



Pizza is cut and placed in a box to be served upon request of the customer

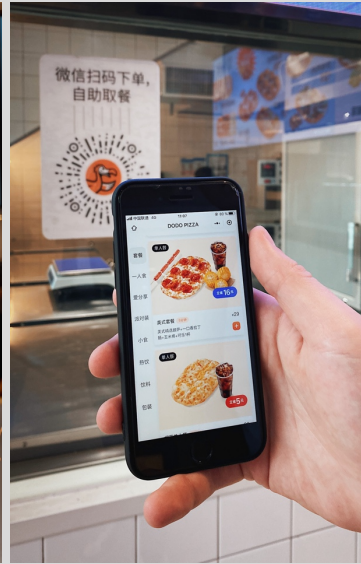
What is the ordering process in the pizzeria?



There are no cashiers in the pizza shop. All orders are taken via mini application on WeChat, a Chinese messenger



To download the app, you need to scan a QR code. This is a common pattern for consumers in China



Guests choose a pizza and place an order in the app. Waiting time is just 4-5 minutes.



A notification of the order status appears in the app. The customer picks up the packaged order at the counter



Guests can dine in or have a pizza to-go. Along with pizzas, we offer drinks, snacks, and desserts

Delivery through aggregators — an additional sales channel



Pizza stores do not provide delivery on their own

Orders for delivery and the delivery itself are carried out by the largest Chinese food delivery aggregators — Ele.me and Meituan. They receive 16-18% of the revenue from each delivered order

Dodo Pizza's profile in Meituan aggregator

Benefits of the Dodo Pizza Express business model

Compact

Frozen dough requires a minimum of storage space in a pizzeria. There are no cashiers. This allows us to arrange a high-performance kitchen in a limited space



Brand awareness

A compact kitchen allows us to use small areas on high pedestrian traffic with high rent per square meter, which creates brand awareness and maintains a permanent source of new customers

Fast

Pizza made of a pre-baked crust is cooked in the oven within 4-5 minutes. The dough does not require stretching and the baking process in the oven takes only 3 minutes. For comparison, in Domino's pizza made of fresh dough bakes for at least 10 minutes.



Convenience for customers

Fast order preparation speed (4-5 minutes) and ability to make products for one guest (small pizzas) let us enter the QSR market, where McDonalds, KFC and fast Chinese concepts already exist.

Simple

All processes in a pizzeria are very simple. The dough does not require defrosting or any preliminary preparation. A frozen crust excludes write-off risks caused by improper planning and expiration of shelf life.



Scaling

All simple processes in a pizzeria also simplify staff training, scaling and management of the whole chain. One production center may supply pizzerias in any Chinese city with frozen crusts as the expiration date of it does not limit the delivery distance.

The Dodo Pizza product in China

The main idea - creating offers for various customers needs

An option for
on-the-go



Mini-pizza

An easy entry point for a client:

- the product concept is similar to the Chinese "on-the-go" food;
- the recipe for mini-pizza with durian is as clear as possible (as an analogue of the popular durian pie);
- price is the most affordable

An option for
dine-in



Combos

Small area of a pizzeria hall imposes its limitations on the format due to the limited number of seats. For those who come to dine in, there are Combos of small and medium pizzas, snacks, drinks for clients to have full and quick meal

An option for
take-away



Small and medium
sizes

Main products of the concept:

- small pizzas are good for an individual, have a variety of recipes, handy take-away packaging;
- medium pizzas are good for 2-3 people, have a unique format - 3 tastes in one - for family or company of friends, colleagues

An option for
delivery



Combos, small
and medium sizes

Small and medium-sized pizzas are available for delivery as well as combos with snacks and drinks

Menu structure of Dodo Pizza in China

Our key approach: pizza is Dodo's primary product. Different pizza formats cater to different customers and their needs. Snacks and drinks complement pizza and provide a full-fledged offer

Pizza

Mini pizza

sample product

3 recipes

Small pizza

basic product

15 recipes

Medium pizza

3 different tastes in
one pizza

7 recipes

Big pizza – 1 recipe – «special product»

Snacks

Familiar products for
the QSR audience in
China:

- Chicken wings
- Sausages
- Corn

Beverages

- Soft drinks
- Soy and corn milk
- Coffee

Combo: pizza + snack + drink (offers for 2 guests and for the solo diner)

The Dodo Pizza product in China



Mini pizzas

On-the-go product
11x11 cm, for 1 person



Small pizza

For takeaway and delivery
21x15 cm, for 1 person



Medium pizza

For takeaway and delivery
35x15 cm, for 2-3 people



Large pizza

For takeaway and delivery
60x21 cm, for 4-5 people



Beverages



Snacks



Combos

For dine-in

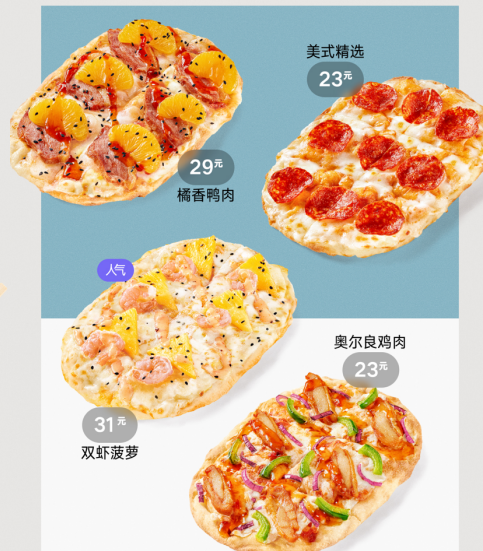
立省 16元

The Dodo Pizza menu in China

迷你披萨 + 小吃



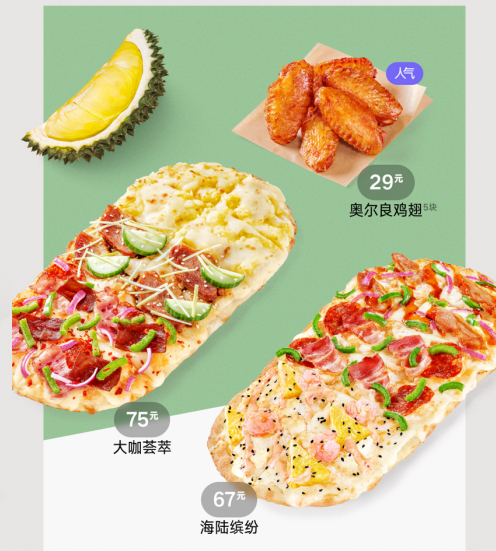
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爱分享披萨 + 饮料



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迷你榴莲	¥12	奥尔良鸡翅	¥14/29

奥尔良鸡肉	¥23	开胃吞拿	¥29
榴莲忘返	¥29	橘香鸭肉	¥29
蜜汁叉烧	¥29	黑椒牛肉	¥36
美式培根	¥33	超级至尊	¥37

经典三拼	¥67	可口可乐	¥6
多汁多味	¥73	芬达 / 雪碧	¥6
爽口三拼	¥73	黄金玉米	¥9
椒霸正方	¥75	豆浆	¥9

经典三拼	¥67	可口可乐	¥6
多汁多味	¥73	芬达 / 雪碧	¥6
爽口三拼	¥73	黄金玉米	¥9
椒霸正方	¥75	豆浆	¥9

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超长拉丝马苏芝士



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精制白芝麻、青葱丝、
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香肠片、超长拉丝马苏

活力田园 ¥24.5
鸡肉BBQ、蛋羹、
精制黑芝麻

巧克力迷 ¥27
经典M&M巧克力豆、
松软棉花糖、布丁酱

喷香羊肉 ¥27
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海鲜酱、精制白芝麻

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甜辣酱

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+ 双虾菠萝



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+ 黑椒鸭肉

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超级至尊 + 北京烤鸭 + 榴莲忘返

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饮料

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The Dodo Pizza product in China: our advantages

Our goal is to create a unique "Chinese pizza." Pizza is an easy-to-change product — single process but different recipes and ingredients easily adapt to the market. As with Lego: the details and instructions are the same but so many different models can be built

5 advantages of the product:

1. Light fluffy dough — easy to digest, does not cause a feel of heaviness
2. Rich taste — well-known Chinese taste profile attained with recipes created specifically for Chinese consumers
3. Variety of products — no other concept offers such a wide range of pizza-based products
4. Speed — order is ready within 5 minutes thanks to pre-baked crust and high kitchen efficiency
5. Food safety — high standards of hygiene and work with ingredients in the kitchen



Pizza with durian and pineapples



Pizza with duck and tangerines

Our recipes created accordingly to the Chinese taste preferences.
A unique format — square-shaped pizza



Pizza with durian



"The Peking duck" pizza




Product rating


Our product is already highly rated by Chinese customers. This is evidenced by our guests' reviews on recommendation services as well as by data on customer retention.

Our current menu and recipes are just the beginning of a hard work to create a competitive product for the Chinese market. We plan to grow our R&D team in China, conduct researches and attract Chinese chefs and ingredient manufacturers to improve the product.



Our guest reviews


 JokerLady Lv4
1月20日
关注


打分 

打卡杭州大厦 501哆哆披萨

位置：杭州大厦 501街边店铺，鲍师傅旁边
周末和朋友在这边逛街，看到了这家卡哇伊的店铺，没想到进去很惊喜，是一个人都适合吃的随行披萨呀
可以即点即拿走，也可以坐在店铺里堂食，非常方便！
点了现在有优惠的海陆缤纷披萨，三拼口味，是很适合闺蜜 2 个人一起吃的量，配上鸡翅和饮料，对于我们小仙女饭量来说够够啦
也一定要夸下店的设计，卡通元素 + 明艳的色彩 + 一些金属感，是未来感和可爱的结合的感觉，点赞！
收起





 叶子 Lv4
4月4日
关注

打分 

501杭州大厦 501的一家主打一人食的披萨，品种选择很多，味道不错哦
环境很简洁，楼点餐与制作楼上有座位
△榴莲忘返披萨 榴莲披萨，榴莲肉非常多，芝士铺满满一层，超级划算
△奥尔良鸡肉 经典口味披萨也很不错
△美式培根披萨 也是披萨中的经典了，看到好几波小朋友来吃感觉比肯德基什么的健康一点吧，哄小朋友确实不错的选择哦
收起




 R_ Lv7
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打分 

杭州探店 性价比/高颜值/披萨
最近发现了一家性价比超高的披萨店！真的爱到炸了，最最最关键的是...它的色彩拍起来超级漂亮，披萨也很有特色！
▲京味鸭肉披萨
在我眼里这款披萨必吃！真的爱到炸了！对北...
全文



2020年必探好店

 贾佳佳佳呀 Lv8
4月11日
关注

打分 

我爱的哆哆披萨开新店啦
新店的位置很好 但没原来大了
🌟 经典三拼
点的三拼大披萨！！
全文
推荐：榴莲忘返披萨 橘香鸭肉 迷你香辣鸡肉披萨 新奥尔良烤翅

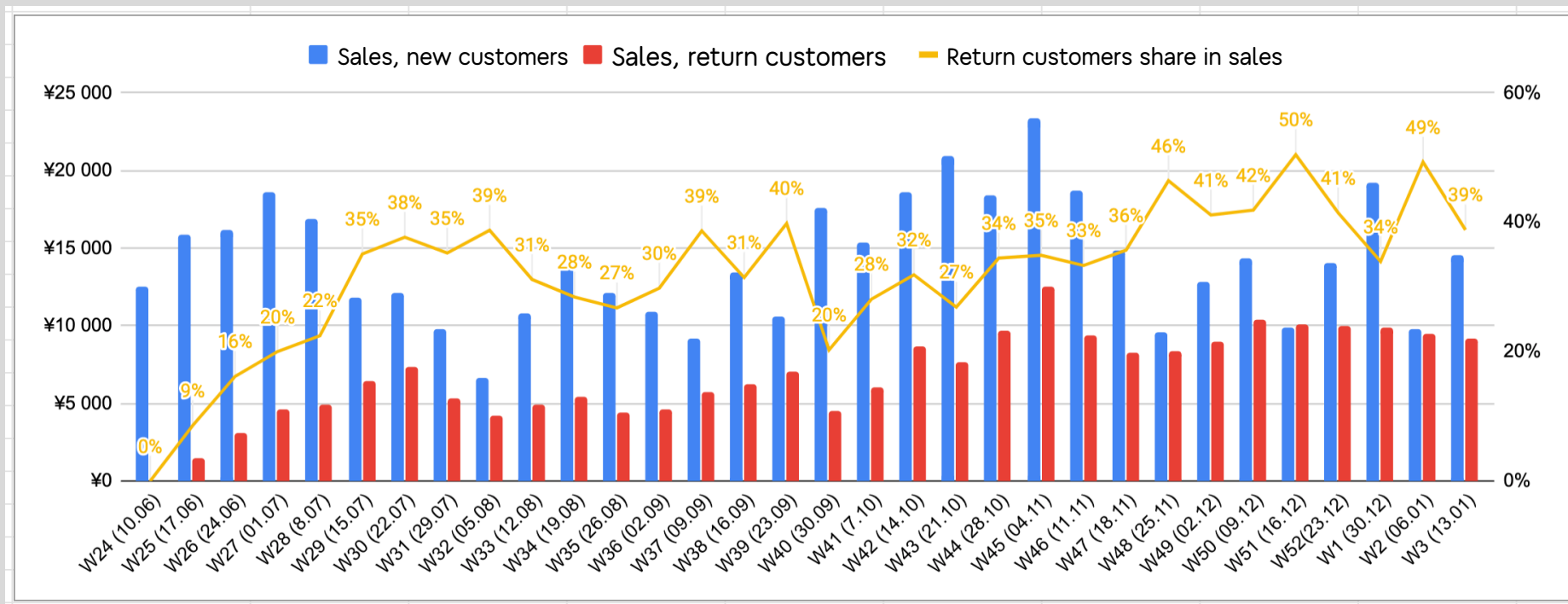


橙星美食探店

32人赞

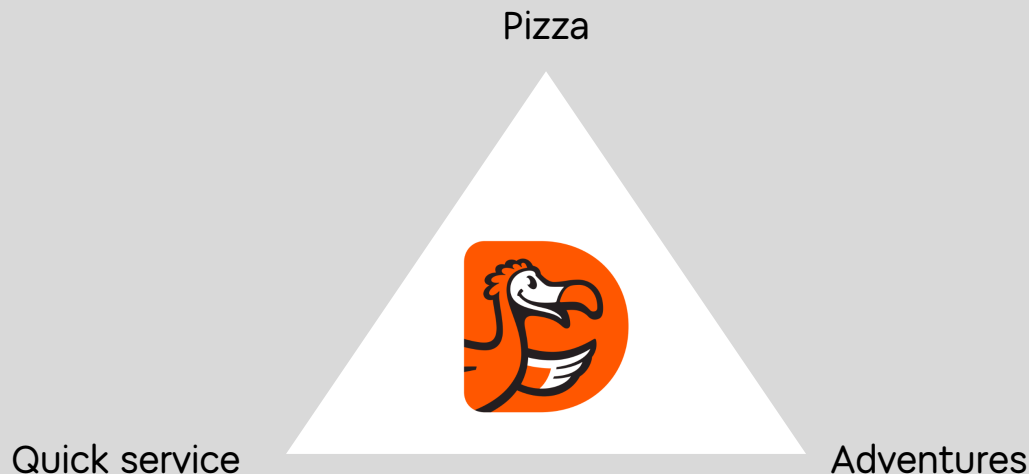
Hangzhou-1's average rating on Dianping, May 15, 2020: 4.85 out of 5

New and return customers: share in sales (dine-in and takeaway)



Pizzeria Hangzhou-1

Brand platform of Dodo Pizza in China



Dodo Pizza — the fastest way to
adventures in the wonderful world of pizza

In fall 2019, Dodo Pizza with cooperation of branding agencies Linii Group and Secret Sauce created the Dodo Pizza brand platform adapted to the Chinese market. It's based on market research, Chinese consumers surveys, and competitive analysis. The brand platform was used to develop a new corporate identity for Dodo Pizza China — with the idea of "a journey into the world of incredible pizza" at its heart

Dodo Pizza in China target audience



White collars — Chinese and international companies' employees

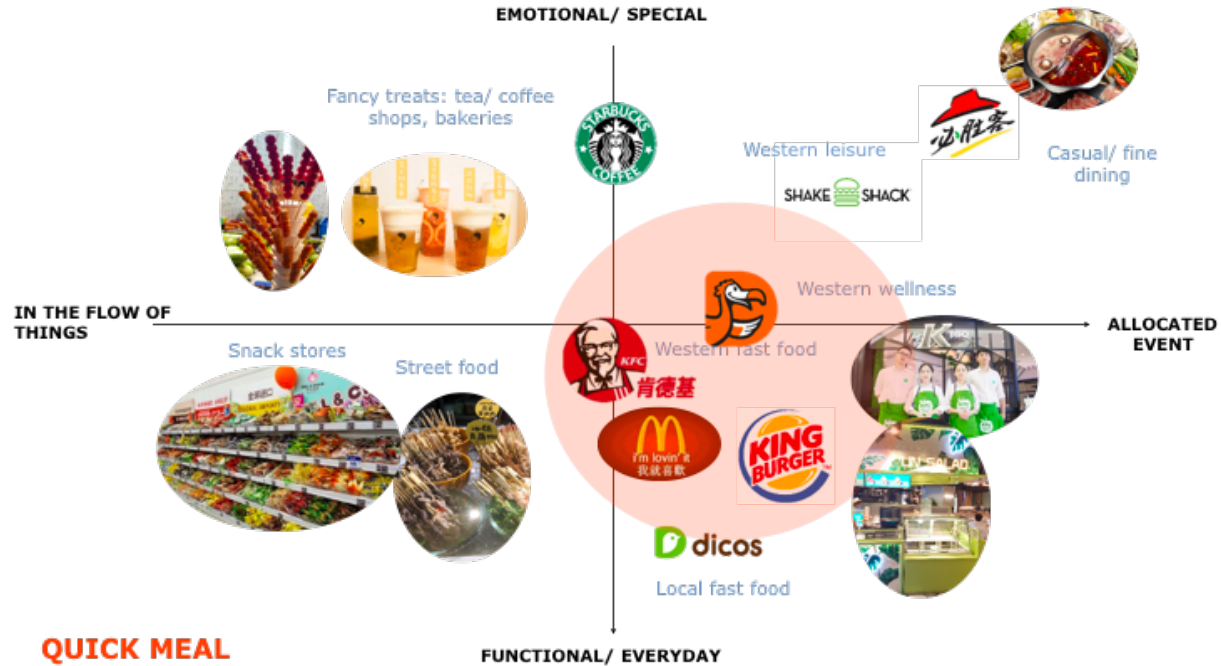
- Treat QSRs as the best way to feed the hunger
- Eager to find new experiences
- Value quality in products



"Little emperors" and their parents

- Children love pizza and their parents love treating them
- Pizza is considered to be healthier than fast food

Brand positioning of Dodo Pizza in the Chinese market





The world of incredible pizza

郝冉 Hao Hao, a Beijing artist, created unique illustrations for Dodo Pizza China depicting a world of amazing taste, stretching cheese, and light fluffy dough which breaks you away from reality and send you on an exciting adventure.



Brand identity of Dodo Pizza in China



Dodo's brand identity revolves around the idea of parcels with incredible and unusual pizza sent to customers from imaginary worlds embodying the product main features (cheese, light dough, unusual recipes and tastes, a mixture of West and East)

Packaging of Dodo Pizza in China



Competitors of Dodo Pizza in China

The competitive environment is determined by our product (pizza) and segment of the market (QSR — fast food)

PIZZA

For dine-in and delivery

Competitors — international pizza chains (Pizza Hut, Domino's, Papa John's)

Chinese pizza chains (Magritta, Mua Pizza) operate in a significantly lower price tier

QSR

Serving time — 5 min

Competitors — western QSRs (McDonald's, KFC, Burger King)

Price positioning of Dodo Pizza in China

Comparing to the western pizza brands

Dodo Pizza is cheaper or same priced

Western pizzerias rarely work with the "pizza for one" format therefore Dodo Pizza's offers might look cheaper. Medium-sized pizzas have comparable prices to those of the global brands

Comparing to western QSR

Dodo Pizza is more expensive

The main QSRs offer is based on combos at a price of 30-40 Yuan. An average price of Dodo's pizza fits into this check, but the combo offer costs more than 40 Yuan.

However there are great offers for breakfast and business lunches that put prices at parity

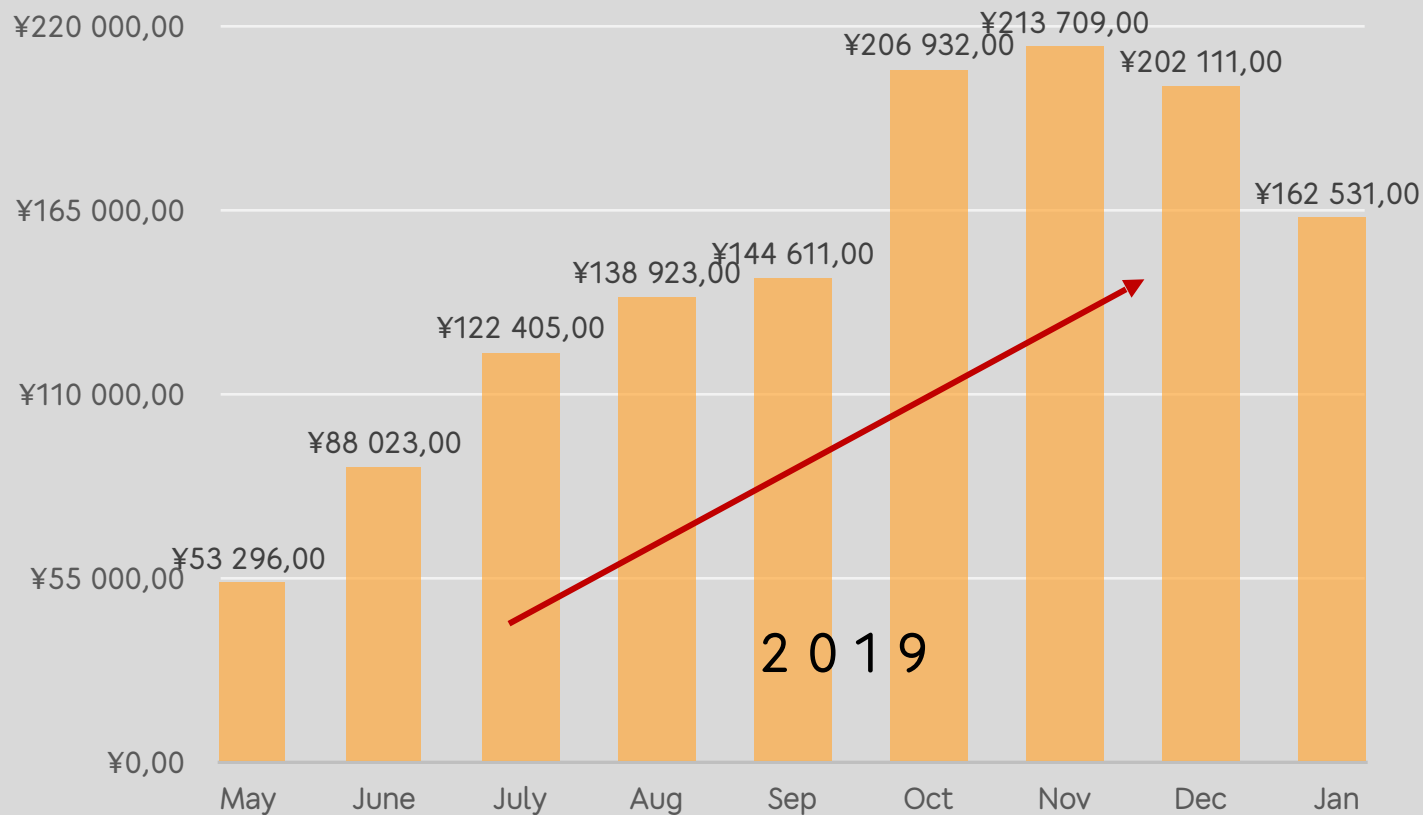
Comparing to Chinese pizza brands

Dodo Pizza is more expensive

The Chinese pizzerias working with aggregators conduct an aggressive discount policy (50%). We are more expensive but more quality-assured.

The average cost of Dodo's pizza is 35 Yuan, Chinese brands — 20 Yuan (with discounts)

Hangzhou-1 monthly sales before COVID-19



What will define our success in China?

Product

+

Brand

+

Scaling strategy

- Create a product with high customer retention rates
- Our product is not only pizza itself but also the entire concept — format, menu, price positioning
- We have achieved first strong results, keep improving and developing our R&D

- Centralized production of frozen pizza crusts for entire country and our simple operational unit model with a small kitchen area make it easy to scale the chain
- Dodo Pizza Express production model is great for scaling

How to build a brand In China?



How to build a brand in China?

- China's market is one of the most competitive in the world. So in order to succeed in this market, you need to build a strong brand
- To create a brand, one should build awareness. This implies building a chain, opening as many stores as it's needed for consumers to notice you
- In order to cover the market efficiently and create brand awareness, we developed a mini pizzeria model requiring a small space and low investments. The first experimental mini pizzeria was opened in Hangzhou in March 2020



Mini pizzeria in Hangzhou

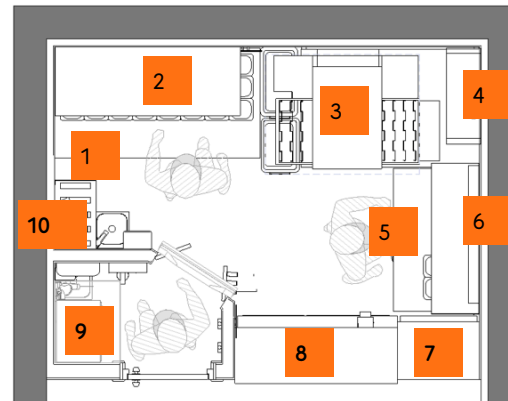




Fully-functioning pizzeria on 18,7 sq. m

- Investments — ¥ 412,857 (\$58,000 or 4.2 million rubles)
- Productivity — 160 pizzas per hour
- Sales channels: on-the-go, takeaway, delivery, dine-in
- Supplied with dough and ingredients from our dough commissary
- Prospects to open mini pizzerias in areas with high footfall to build brand awareness and cover the entire city with delivery

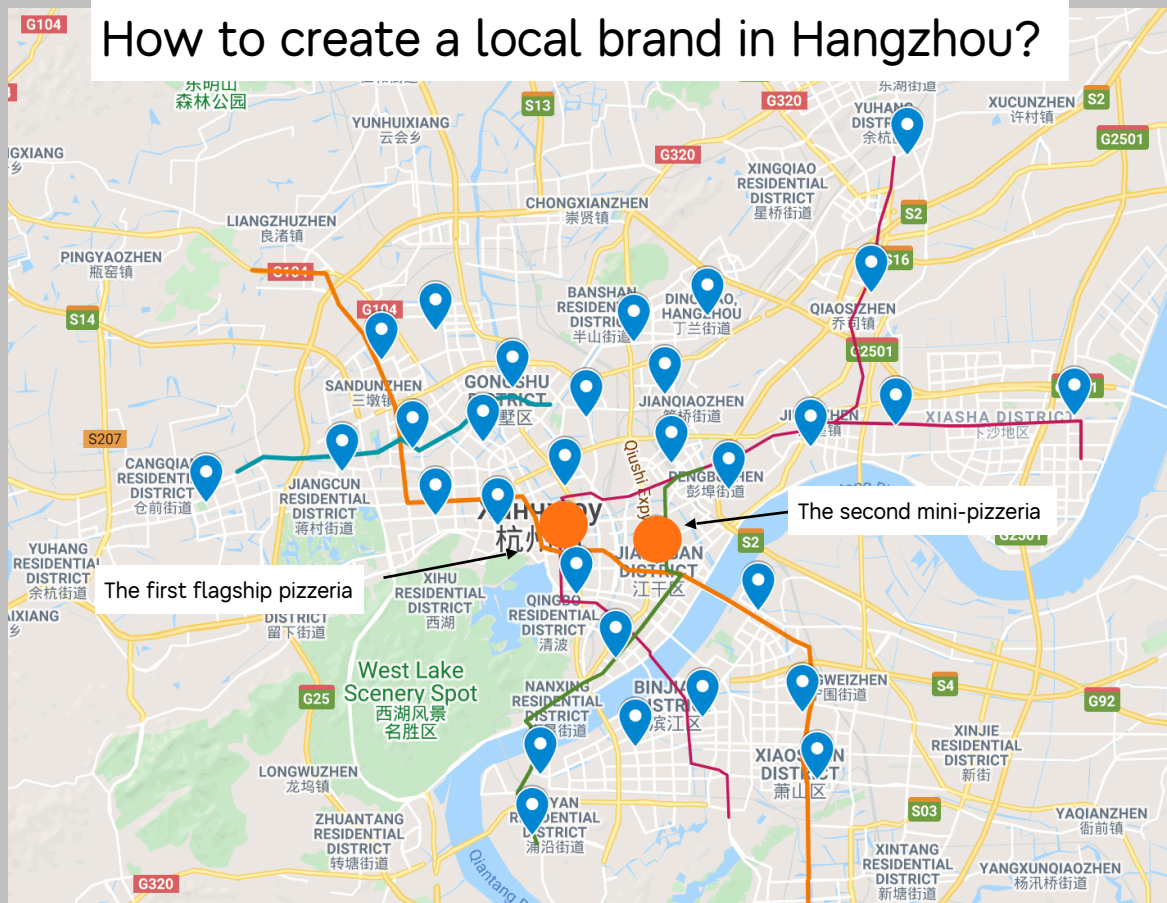
Total kitchen area – 7,4 sq.m



Dodo's mini pizzeria in Hangzhou. Kitchen layout:

1. Pizza prep table and refrigerator
2. Wall freezer for pizza crust
3. Conveyor oven
4. Soy milk machine
5. Packing table
6. Shelf for packing
7. Drivers reception
8. Pick-up
9. Staff lockers
10. Washing station

How to create a local brand in Hangzhou?



Our plan:

- There are currently two Dodo Pizza stores in Hangzhou — the flagship and one mini pizzeria
- We aim to open more 10 units (mostly in mini format) in places with high footfall
- All new units will be supplied with dough and ingredients from our existing dough commissary
- We develop the flagship format with a relatively large (50 sq. m.) dine-in area
- We cover the main part of the city with delivery and create brand presence
- We carry out a local brand advertising campaign
- We create a local city brand and increase sales through brand awareness



- locations to be opened

Pizza chains in Hangzhou

Global pizza brands:

1. Pizza Hut - 61
2. Pizza Hut Delivery - 18
3. Domino's Pizza - 17
4. Papa Johns - 7
5. Marzano Pizza - 2

Total: 105

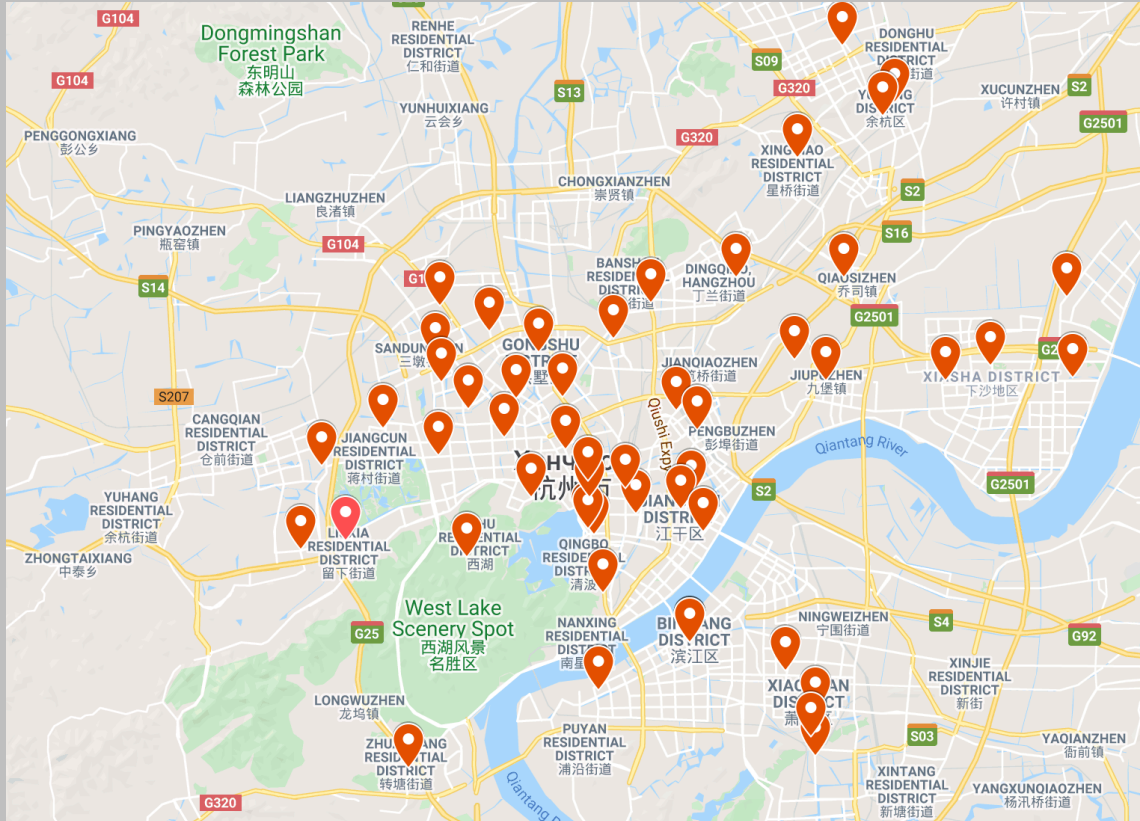
Chinese pizza brands:

1. Mua pizza - 38
2. Zhigen Zhidi - 32
3. Magritta - 26
4. Feizi Pizza - 22
5. Zhixinle - 16

Total: 134

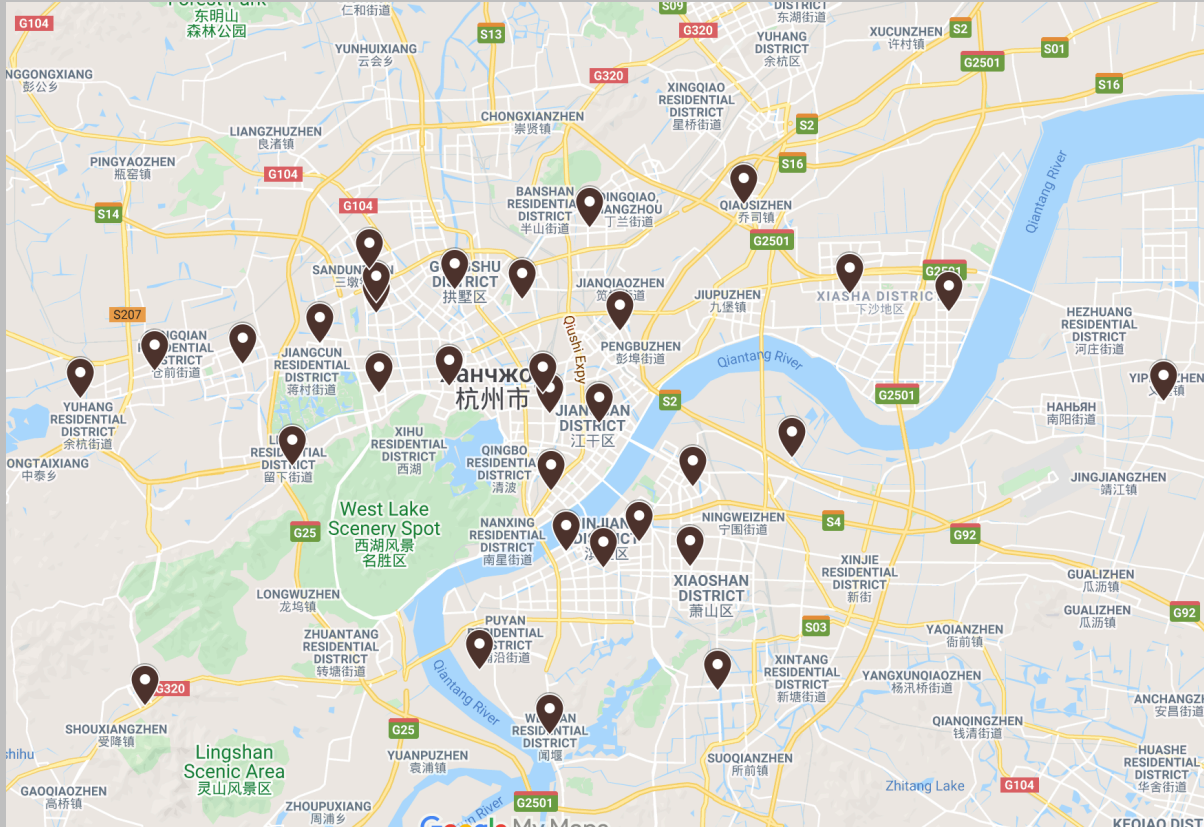
Total units of global and local pizza brands: 239

Competitors in Hangzhou: Pizza Hut



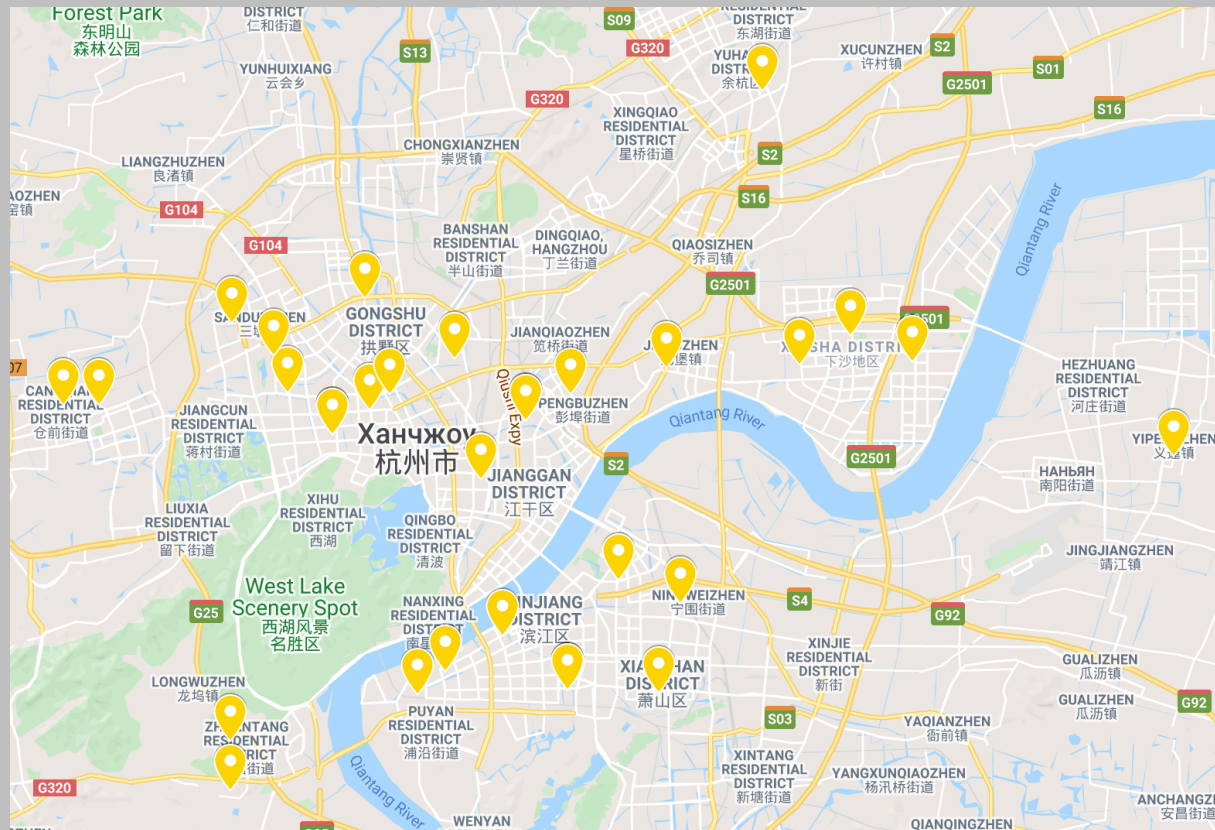
61 pizzerias

Competitors in Hangzhou: Mua Pizza



38 pizzerias

Competitors in Hangzhou: Zhigen Zhidi



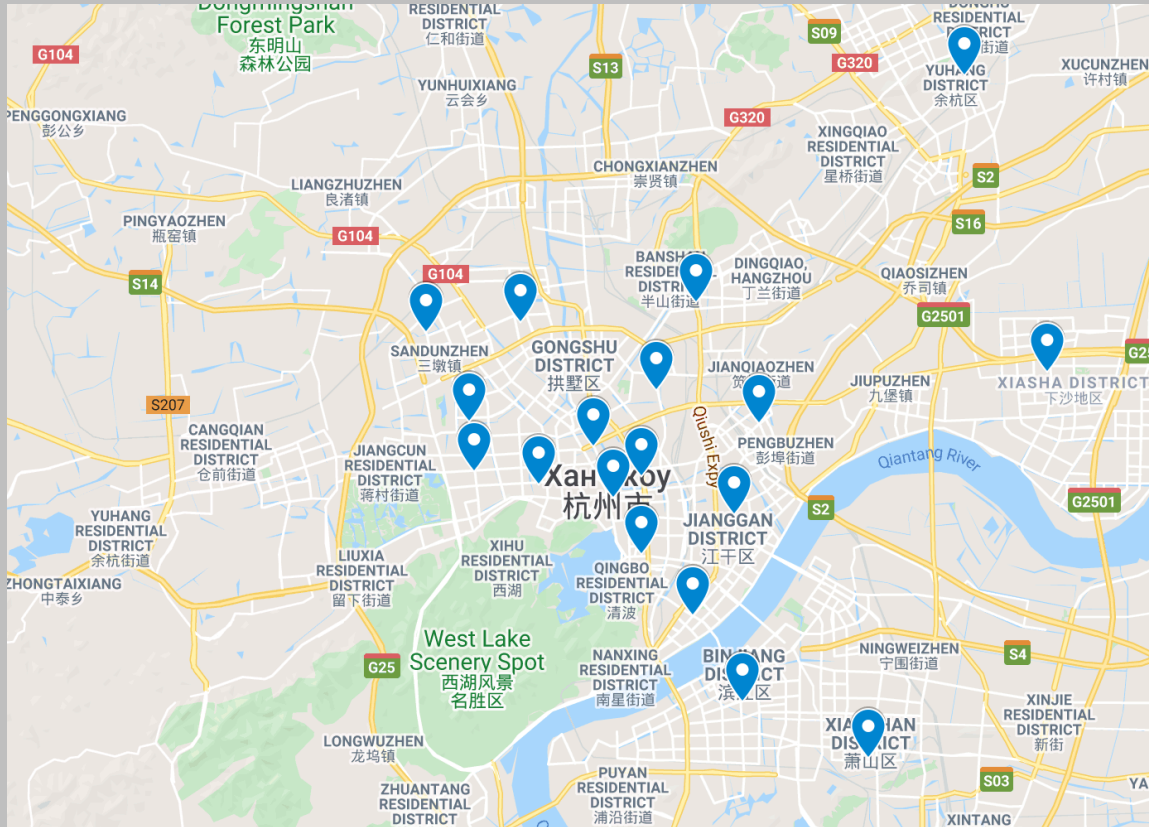
32 pizzerias

The map displays the city of Hangzhou (Ханчжоу / 杭州市) and its surrounding areas. Key landmarks and districts include:

- West Lake Scenery Spot (西湖风景名胜区)**: A large green area in the southwest.
- Dongmingshan Forest Park (东明山森林公园)**: A green area in the northwest.
- Qiantang River (Qiantang River)**: A major river flowing through the city.
- Districts and Towns**: Gongshu District (拱墅区), Xingqiao Residential District (星桥街道), Xiaoshan District (萧山区), and others.
- Highways**: G25, G104, G1512, G50, G92, G94, G1512, G50, G92, G94, G1512, G50, G92, G94.
- Other Labels**: SANHEXIANG (下清湖街道), RENHE RESIDENTIAL DISTRICT (仁和街道), YUNHUIXIANG (云会乡), LIANGZHUZHEN (良渚镇), YUNYAOZHEN (瓶窑镇), SANDUNZHEN (三墩镇), JIANGCUN RESIDENTIAL DISTRICT (蒋村街道), LIUXIA RESIDENTIAL DISTRICT (留下街道), LONGWUZHEN (龙坞镇), ZHUANTANG RESIDENTIAL DISTRICT (转塘街道), QINGBO RESIDENTIAL DISTRICT (清波), NANXING RESIDENTIAL DISTRICT (南星街道), BINJIANG DISTRICT (滨江区), NINGWEIZHEN (宁围街道), XINJIE RESIDENTIAL DISTRICT (新街), YAOQIANZHEN (衙前镇), XINTANG RESIDENTIAL DISTRICT (瓶窑街道), YANGKUNQIAOZHEN (杨汛桥街道), JINGJI (井头), HANBYAN (南阳街道), HEZHU RESIDENTIAL DISTRICT (河庄街道), XIASHA DISTRICT (下沙地区), JIUPUZHEN (九堡镇), PENGBUZHEN (彭埠街道), JIANQIAOZHEN (钱江街道), DINGQIAO HANGZHOU (丁兰街道), BANSHAN RESIDENTIAL DISTRICT (半山街道), CHONGXIANZHEN (崇贤镇), XINGQIAO RESIDENTIAL DISTRICT (星桥街道), YUHAI DISTRICT (余杭区), DONGHU RESIDENTIAL DISTRICT (东湖街道), YUNYUEN (云栖), WUHANZHEN (五杭镇), CHANG'ANZHEN (长安镇).



Competitors in Hangzhou: Domino's Pizza



17 pizzerias



The flagship store

Two concepts



Mini pizzeria



Renovation of the flagship unit in Hangzhou

Along with launching new mini pizza shops, we plan to renovate the first flagship unit:

- change the interior in accordance with our new brand identity
- minimize the kitchen area to expand the dine-in area and the number of seats;
- new equipment in the kitchen and new products on the menu: deep-fried (french fries, wings), ice cream, hot drinks



Series A funding for Dodo Pizza China

What is Dodo Pizza in China?

Exclusive master franchisee of Dodo Pizza brand in China.

Master-franchising royalty to the global company is 3% payable starting from 2022.

Use of proceeds

New funds will be used to create a local brand in Hangzhou, build a chain of 12 units, run a promo campaign, and further develop R&D — (brand, product, and format)

What's next?

First, we create a successful local chain in Hangzhou and prove the viability of our concept. Next, we raise new funding in several stages and scale the business across China through our own corporate chain and/or franchising. We also build a large-scale facility for the frozen crusts production

What are the exit options for investors?

We aim to build a big chain and a strong brand in China pizza market. Possible exit routes include sale of Dodo Pizza China master-franchising company to a major Chinese strategic foodservice player or listing Dodo Pizza China on a stock exchange

What's the market potential and our big goal?

We see an opportunity to build a chain of 2,000-2,500 pizzerias in China within 5-7 years

The image shows the text '2000+' in a large, bold, orange font. The '000' is particularly large and prominent, followed by a plus sign. This visual element emphasizes the goal of opening more than two thousand units.

Our goal is to open more than two thousand units

The Chinese market potential assessment for Dodo Pizza

China's city-tier classification by size and value	Number of cities	Examples	Possible number of pizza shops in one city	Number of units in a tier
Tier 1	4	Beijing, Shanghai	100	400
New Tier 1	15	Hangzhou, Chengdu	40	600
Tier 2	30	Yantai, Hefei	15	450
Tier 3	70	Urumqi, Guilin	10	700
Tier 4	90		3	270
Tier 5	128		-	-
Total store count:				2420

Competitors in different cities

(excluding Pizza Hut)

Tier 1:

- Dominos in Shanghai — 102 pizzerias, in Beijing — 80+
- La Cesar in Shenzhen — 60+ pizzerias
- Champion Pizza in Guangzhou — 100+ pizzerias

New Tier 1:

- Chinese companies Mua Pizza and Zhigen Zhidi — 30-40 shops in Hangzhou
- Dominos and Pizza Hut Delivery in Hangzhou — around 20 units

Tier 2:

- Magritta — 23 stores in Hefei
- Zhigen Zhidi in Fuzhou — 30+ pizzerias

Tier 3 and Tier 4:

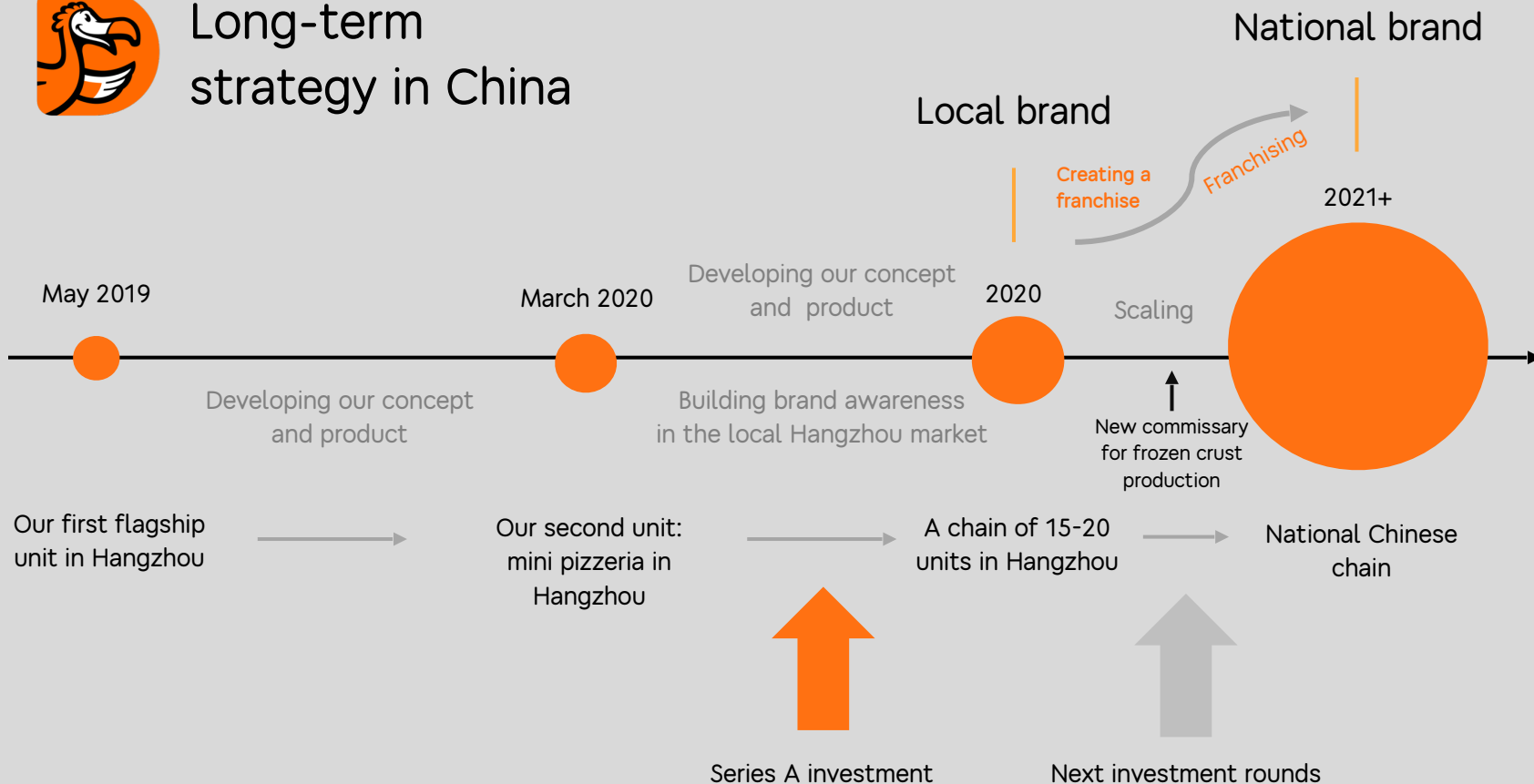
- Basically you can find pizza parlors in any city (some cities have 5-6 locations, some — 3)

All chains are extensively evolving and expanding





Long-term strategy in China



Our Competitive Strengths



know-how

Frozen crust know-how

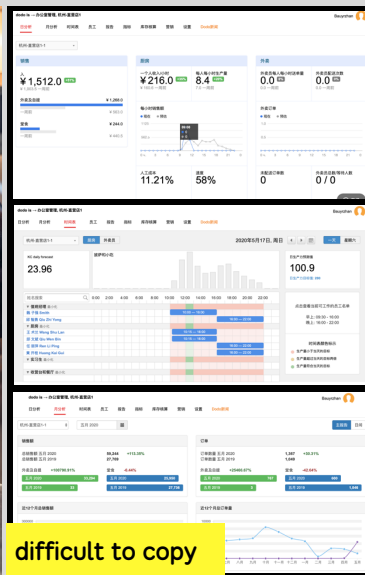
- Proprietary technology
- Ability to supply all units from one commissary
- Long shelf life — efficient logistics



know-how

Efficient store-level production model

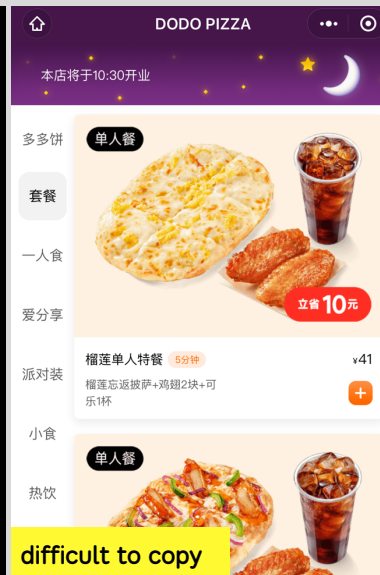
- Small kitchens and high productivity
- Suitable for high-footfall locations
- Simple processes — quick staff training and scaling



difficult to copy

Proprietary IT-platform

- Our IT-platform, Dodo IS, is a web-based ERP system for running the pizza business. In 2016, it was adapted it to the Chinese market and translated in Chinese
- In the future — integration with the leading aggregators Meituan and Ele.me



difficult to copy

App instead of cashiers

- App in WeChat for taking orders makes our relationships with clients transparent — data, control over the customer retention, direct communications
- Plans for launching the app on AliPay, Android, and iOS



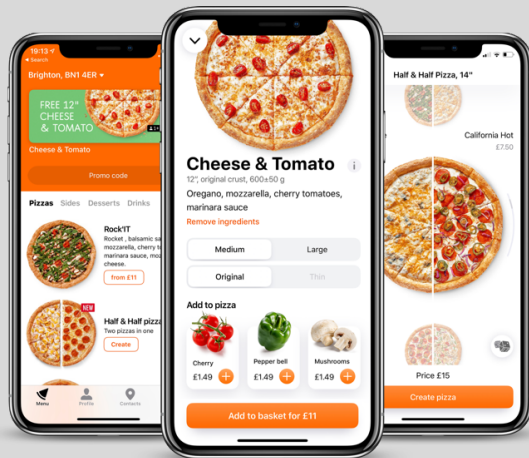
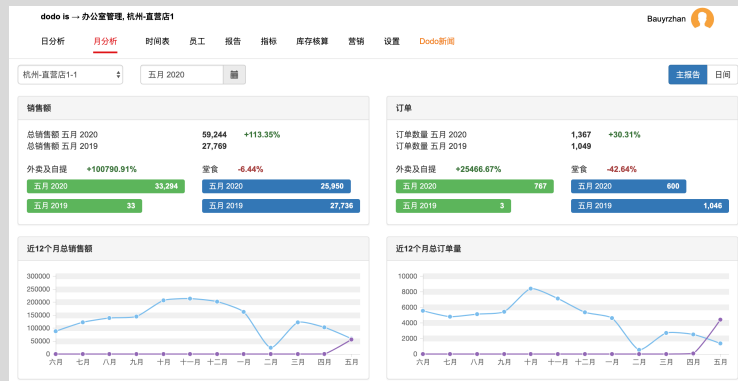
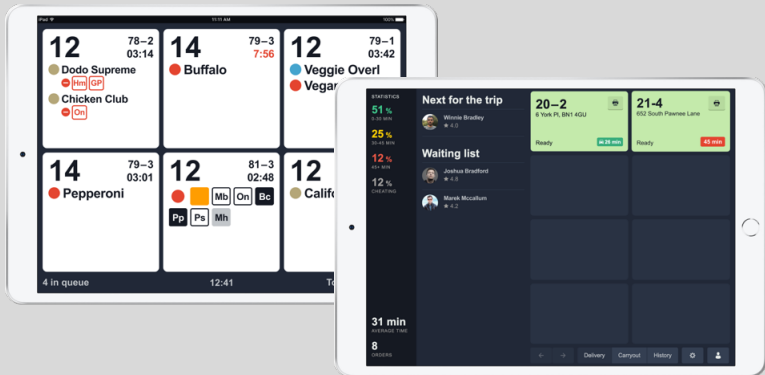
Our team

- Has been working in China since 2016
- Russian and Chinese managers
- The global team — marketing, R&D, 100+ IT developers, support on each stage of development



Dodo IS proprietary IT solution

- The key element of Dodo's business - our digital web-based platform, Dodo IS
- Includes everything you need to accept orders and manage your business
- Data collection and analysis, fast decision making, advantages in scaling and managing dozens of units
- In-house IT team of 100+ software developers





Case study: Starbucks China

Starbucks in China today

- Incredible success
- 4 123 stores in 177 cities in China
- 57 000 employees
- There are more Starbucks stores in Shanghai than in NY

Starbucks in China then

- The first store was opened in Beijing in January, 1999
- Main challenge — to promote coffee culture in a tea country
- Starbucks China was not profitable over the first 9 years of existence



"We were not successful in the early years. It took a number of years for us to get traction and gain success and loyalty. There were many people, some inside the company and certainly outside the company that said Starbucks would never succeed in China..."

Howard Schultz

Series A funding for Dodo Pizza China

\$2.5 million



30%

Dodo Pizza China — Dodo Pizza's exclusive master-franchisee in China

Use of Proceeds

+10 units in Hangzhou by the end of 2020

- creating a chain of 12 pizza shops in Hangzhou supplied from dough commissary
- the first flagship unit renovation
- local advertising campaign
- further development — team, product, brand, concept
- app promotion in WeChat and Ali Pay
- legal and governance structure for the next investment rounds

Dodo Pizza China team



Bauyrzhan Sydykov
CEO

Beijing Jiao Tong University, 15 years in China, has been working in Dodo Pizza China since its launch in 2016



Nikolai Burdin
Chief Operating Officer

In Dodo Pizza since 2012, 8 years of operating work experience



Spartak Arutyunyan
Product marketing and R&D

In Dodo Pizza since 2017: R&D, new products



Anna Kalmykova
Marketing director

10-year experience in FMCG marketing. Product marketing & branding



Patty Yu
Marketing manager

In Dodo Pizza China since 2016, had an internship in Dodo Pizza in Russia



Artem Kazakov
Lead developer of the app in WeChat

Wuhan University (China), E-commerce



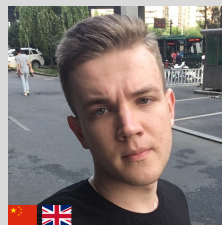
Alexey Aristov
Supply chain manager

MGIMO, GSM in St.Petersburg, Taiwan National Chengchi University, has been working on Chinese projects since 2017



Amber
Purchasing manager

Started working with Dodo Pizza while completing the study at Yantai University, Shandong province



Boris Timchenko
General manager in pizzerias

HSE «Asian and African Studies», Chinese language and economics



Dmitry Sergeychev
Marketing manager

Nanjing University, China; has been working on Chinese projects since 2012

+ the global company's team

Our policy:
Persistence
Scientific approach
Innovations

See you soon in Hangzhou!

Hangzhou 501 Plaza, HANGZHOU, CHINA 杭州大厦501城市广场

