



Papa John's International Acquires Drake Food Service International's Restaurants in the United Kingdom

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Papa John's International establishes Company restaurant footprint as part of ongoing plan to transform and optimize the U.K. market for the brand

LOUISVILLE, Ky.--(BUSINESS WIRE)--Jun. 5, 2023-- Papa John's International, Inc. (NASDAQ: PZZA) ("Papa Johns" or "Company") today announced the acquisition of restaurants previously operated by the M25 division of Drake Food Service International (DFSI) in the United Kingdom. The transition of restaurants will establish a portfolio of Company-owned restaurants in the market. Financial terms of the transaction were not disclosed.

"The U.K. is important within our international footprint with the largest number of stores outside of North America, strong brand awareness with consumers and potential for long-term growth as we still have tremendous whitespace in the market," said Amanda Clark, Chief International and Development Officer for Papa Johns. "Owning and operating restaurants will allow Papa Johns to follow a similar model that we've created in the U.S., which enables us to leverage our resources, best practices and scale with franchisees in the U.K. and worldwide to further their success."

The new corporate-owned restaurant portfolio will consist of 91 locations across London and other parts of the U.K. The Company sees opportunities to implement operating model enhancements including revenue management capabilities, product and technological innovation and operational efficiencies, to improve sales and restaurant-level profitability.

"The investments we are making today, combined with our global resources and in-house expertise, will enable Papa Johns to drive higher sales going forward," said Rob Payne, Managing Director of Papa Johns in the U.K. "Establishing a corporate-owned restaurant portfolio is one of many steps we are taking to reposition our U.K. portfolio in a way that ensures our franchisees and this market drive above average industry growth over the long-term. This announcement follows other initiatives we've undertaken including investments in marketing technology, pricing and operations."

As part of the transition, approximately 1,000 employees working for DFSI M25 will become team members of the Company, which prioritizes creating a winning culture for its employees. Minimal, if any, disruption to customers is expected during the transition time.

DFSI will continue to hold its master franchise rights for Papa Johns in Spain, Portugal, Chile and Central America.

"By exiting our stake in the U.K., we will be able to focus our efforts on our Papa Johns portfolio in Iberia and Latin America," said Fernando Frauca, Managing Partner and CEO of DFSI. "We are proud to be a partner of this brand and look forward to continuing to invest in our other markets."

To learn more about Papa Johns in the U.K., visit <https://www.papajohns.co.uk/>.

About Papa Johns

Papa John's International, Inc. (NASDAQ: PZZA) ("Papa Johns") opened its doors in 1984 with one goal in mind: BETTER INGREDIENTS. BETTER PIZZA. Papa Johns believes that using high quality ingredients leads to superior quality pizzas. Its original dough is made of only six ingredients and is fresh, never frozen. Papa Johns tops its pizzas with real cheese made from mozzarella, pizza sauce made with vine-ripened tomatoes that go from vine to can in the same day and meat free of fillers. It was the first national pizza delivery chain to announce the removal of artificial flavors and synthetic colors from its entire food menu. Papa Johns is co-headquartered in Atlanta, Ga. and Louisville, Ky. and is the world's third-largest pizza delivery company with more than 5,700 restaurants in approximately 50 countries and territories. For more information about the Company or to order pizza online, visit www.papajohns.com or download the Papa Johns mobile app for iOS or Android.

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