Domino's Pizza Enterprises Limited
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Hamilton, QLD, Australia 4007
ACN: 010 489 326
www.dominos.com.au



23 February 2022

The Manager

Market Announcements Office

Australian Securities Exchange

4th Floor, 20 Bridge Street

SYDNEY NSW 2000

Dear Sir

**Market presentation for the half-year ended 02 January 2022**

Please find attached for immediate release the market presentation in relation to the financial results for the Company for the half-year ended 02 January 2022.

To register for the Half Year Results Presentation and Q&A visit:
https://investors.dominos.com.au/presentations/2022/2/23/fy22-half-year-results

For further information, contact Nathan Scholz, Head of Investor Relations at investor.relations@dominos.com.au or on +61-419-243-517.

Authorised for lodgement by the Board.

**Craig Ryan**

**Company Secretary**

**END**

# Domino's

## HALF YEAR RESULTS
## PERIOD ENDING 02 JANUARY 2022


AUSTRALIA NEW ZEALAND BELGIUM FRANCE THE NETHERLANDS JAPAN GERMANY LUXEMBOURG DENMARK TAIWAN

# OUR PURPOSE

**WHY DO WE EXIST?**

THE HARD-WIRED HUMAN NEED FOR SOCIAL CONNECTION – SEEMINGLY BETTER ENABLED THAN EVER BEFORE – IS BREAKING DOWN.

PEOPLE CRAVE BELONGING, WHILE THEY ASSERT THEIR RIGHT TO BE DIFFERENT.

**OUR PIZZA BRINGS PEOPLE *closer***

**AT OUR BEST**

WE SMASH THE PREVAILING WISDOM WHICH SAYS YOU CAN'T HAVE QUALITY, SPEED AND LOW PRICE…

THUS PUTTING THE WORLD'S MOST DELICIOUS AND VERSATILE BONDING FOOD WITHIN REACH OF EVERY PERSON.

# OUR PIZZA BRINGS PEOPLE *closer*

### BE GENEROUS AND PROVIDE JOYFUL EXPERIENCES

At Domino's, we're not just selling pizza. We're selling happiness and the joy of connection. Our spirit of **optimism, empathy** and **generosity** is catching. So let's share it with **every** customer.

### DO THE RIGHT THING BECAUSE IT'S THE RIGHT THING TO DO

We have a responsibility to care for our customers, our team and the communities who depend on us.
We hold ourselves to a **high standard of integrity,** recognising how **valuable**, yet fragile, **trust** can be.

### CRUSH CONVENTION

We all know there are three main drivers in the food business – **fast service, affordable prices** and **good quality.** Traditional thinking says you have to settle for two out of three. We want to seamlessly deliver all three. Again. And Again.

### HELP PEOPLE GROW AND PROSPER

We want to make people better off – our **team**, our **franchisees**, our **investors**, and our **communities**. We balance commercial goals with a determination to give our team members rewarding experiences, opportunities and a great place to work.

### INVEST TO CREATE DEVOTION

At Domino's we're not just aiming for customer satisfaction. We want to create customer devotion. A satisfied customer may come back again. But a devoted customer is a **customer for life.**

Domino's



## PRESENTED BY

**DON MEIJ**
GROUP CEO & MANAGING DIRECTOR

**ANDRE TEN WOLDE**
DPE EUROPE CEO

**ANDREW BRADLEY**
FRANCE CEO

**MARIKA STEGMEIJER**
GROUP CHIEF ESG OFFICER

**RICHARD CONEY**
GROUP CFO

**JOSH KILIMNIK**
APAC CEO

**DAVID BURNESS**
ANZ CEO

**MISJA VROOM**
NETHERLANDS CEO

**STOFFEL THIJS**
GERMANY CEO

# GROUP - RESULTS HIGHLIGHTS[1]

| | H1 21 Actual | H1 22 Actual | Growth vs. H1 21 | | | Growth vs. H1 20 | | |
|---|---|---|---|---|---|---|---|---|
| **Network Sales** | $1,843.0m | $2,048.4m | +$205.4m | +11.1% | | +$466.2m | +29.5% | |
| **Online Sales** | $1,432.5m | $1,597.7m | +$165.2m | +11.5% | | +$467.3m | +41.3% | |
| **Same Store Sales Growth** | +8.5% | +2.8% | | +2.8% | | | +11.3% | |
| **Network Store Count** | 2,795 stores | 3,227 stores | +432 stores | +15.5% | | +631 stores | +24.3% | |
| **EBITDA**[2] | $218.2m | $212.8m | -$5.4m | -2.5% | | +$36.1m | +20.4% | |
| **EBIT**[2] | $153.4m | $144.7m | -$8.7m | -5.7% | | +$29.1m | +25.2% | |
| **NPAT** (after Minority Interest)[2] | $96.4m | $91.3m | -$5.1m | -5.3% | | +$18.9m | +26.1% | |
| **EPS**[2] | 111.4 cps | 105.5 cps | -5.9 cps | -5.3% | | +21.2 cps | +25.1% | |
| **Dividend** | 88.4 cps | 88.4 cps | 0.0 cps | 0.0% | - | +21.7 cps | +32.5% | |
| **Net CAPEX**[3] | $36.4m | $66.1m | | | | | | |
| **Free Cash Flow**[4] | $95.8m | ($4.5m) | | | | | | |

1) H1 22 included an additional trading week: 27-week trading period vs. 26-weeks for prior comparative periods
2) H1 22 underlying compared to H1 21 underlying, excluding significant charges – see Appendices 4-6 for further details
3) Excluding capital expenditure relating to acquisitions of $79.6m
4) Free Cash Flow excluding capital expenditure relating to acquisitions, including Net lease principle payments – see slide 18 for further details

# GROUP – SHORT-TERM PERFORMANCE

## SHORT-TERM MARGIN PERFORMANCE REFLECTS A REINVESTMENT IN OUR LONGER TERM GROWTH

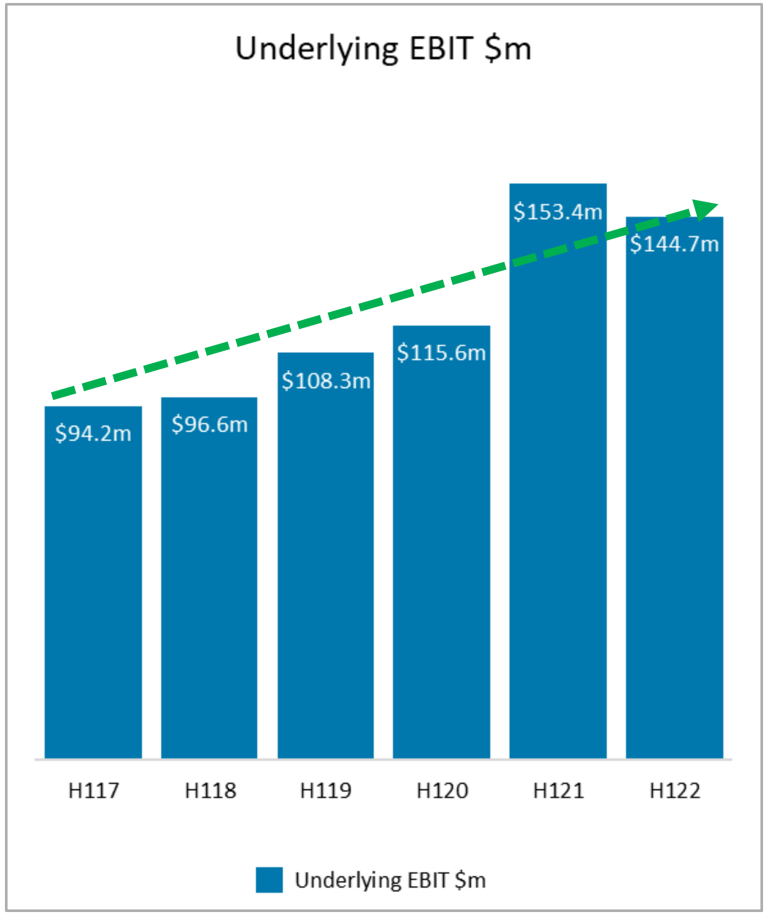
- Europe – continued strong Network Sales and EBIT growth, especially in Q1[1]
- Asia – the key drivers of short-term performance are twofold:
  - Following the lifting of the State of Emergency in Japan (in September), there was a re-basing of Network Sales and EBIT per store
  - Accelerated new corporate store roll-out in Japan resulting in margin compression for these immature stores, noting +208 new corporate stores have opened in the last 36 months
  - Note: Asia Network Sales are up +61.4% (+27.0% CAGR) and EBIT is up +70.2% (+30.5% CAGR) over a 2-year period[2]
- ANZ – reinvestment in the franchisee base through Project Ignite (previously flagged), impacting H1 EBIT margin by c. $6.0m[3]
- COVID – there were full and partial temporary store closures across the Group arising from COVID-19, noting NZ was closed for 4 full weeks in August, with Auckland stores closed for a more extended period of time, impacting EBIT by c. $1.8m in H1

1) See slides 23-27 for further details on Europe performance
2) See slides 28-32 for further details on Asia performance
3) See slide 33-38 for further details on ANZ performance

# GROUP – LONG-TERM PERFORMANCE

## STRATEGIC INVESTMENTS HAVE DELIVERED A STEP-CHANGE IN GROUP PERFORMANCE

- **Group EBIT growth +25.2% (+11.9% CAGR) over a 2-year period**
- DPE's performance over the long-term has been strong, with significant expansion in Network Sales, franchisee profitability and DPE profitability
- DPE's strong multi-year performance has been made possible through long-term strategic investments in:
  - Digital platforms – with online now 78.0% of total sales
  - A **delivery-first** approach – a menu and operations built for the Age of Delivery
  - Fortressing – reducing delivery times and improving unit economics
  - Franchising – entrepreneurs providing part-time jobs and long-term careers
  - Internal growth – franchisees and store managers investing in expansion
  - Partnerships – long-term relationships have avoided supply chain 'out of stocks'




***NOBODY DELIVERS LIKE DOMINO'S***

# GROUP - TRADING UPDATE

| | Half Year Results | | Trading Update<br>First 6 Weeks of Trade | |
|---|---|---|---|---|
| | H1 21<br>Actual | H1 22<br>Actual | H2 21<br>Actual (1) | H2 22<br>Actual (2) |
| **Network Sales Growth** | +16.5% | +11.1% | +20.9% | +6.0% |
| **Same Store Sales Growth** | +8.5% | +2.8% | +10.1% | +1.7% |
| **New Organic Store Additions** | +131 stores | +129 stores | +11 stores | +23 Stores |

- Strong Network Sales growth and store openings continued during the first 6 weeks of H2 22, compounding significant growth achieved during prior corresponding period. **Cumulative 2-year period SSS growth +11.8% during the Trading Update**(3)
- The pipeline of new store openings remains strong, with the Group on-track to expand its network by +500 stores during FY22 (including Taiwan acquisition)
- Food inflation anticipated in H2; DPE is however well-positioned to mitigate through various strategies

1) Network Sales and SSS growth (28 December 2020 – 14 February 2021); new organic store additions (28 December 2020 – 17 February 2021)
2) Network Sales and SSS growth (03 January 2022 – 13 February 2022); new organic stores additions (03 January 2022 – 23 February 2022)
3) SSS +1.7% during H2 22 and +10.1% during H2 21, totalling +11.8% SSS, on a cumulative 2-year period basis

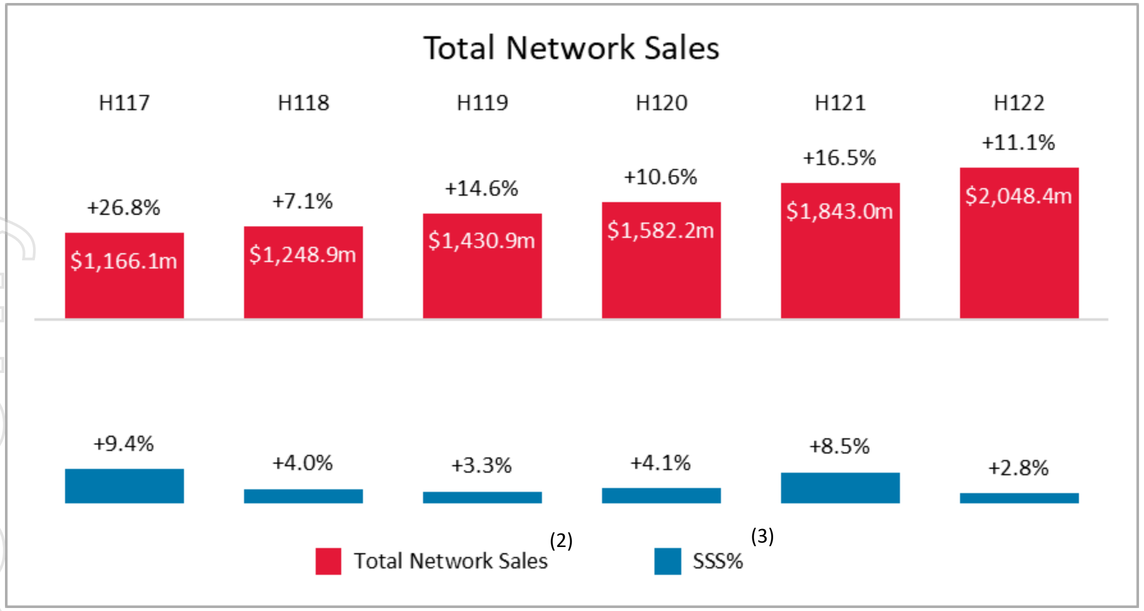
# GROUP – OUTLOOK ASSESSMENT

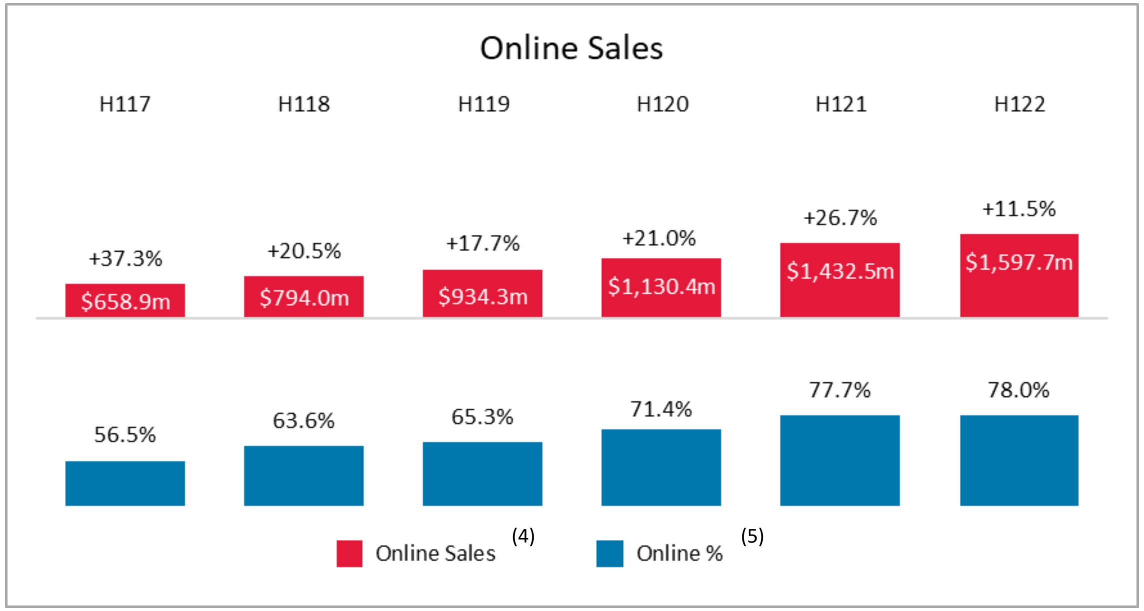
| | 3-5 Year Annual Outlook[1] | H1 21 Actual | H1 22 Actual |
|---|---|---|---|
| **Same Store Sales Growth** | +3-6% | +8.5% | +2.8% |
| **New Organic Store Additions** | +9-12% of network | +131 stores | +129 stores |
| **Net CAPEX**[2] | $100-150m | $36.4m | $66.1m |

- Positive SSS and Network Sales growth across the Group, despite the majority of markets rolling very high prior-year comparatives. Of particular note are excellent recent sales momentum in Australia, the Benelux and Taiwan
- Continued significant new store openings, from both Franchised and Corporate, in line with upgraded 3-5 Year Outlook
- In addition to the above, +156 stores were added to the network from the recent Taiwan acquisition (September 2021)
- Net CAPEX has lifted vs. prior year, as we continue to invest in our future, through our ongoing expansion plan of new store openings, digital technologies and operational initiatives

1) 3-5 Year Outlook as per FY21 Market Presentation
2) Excluding capital expenditure relating to acquisitions

# GROUP - NETWORK SALES[1]



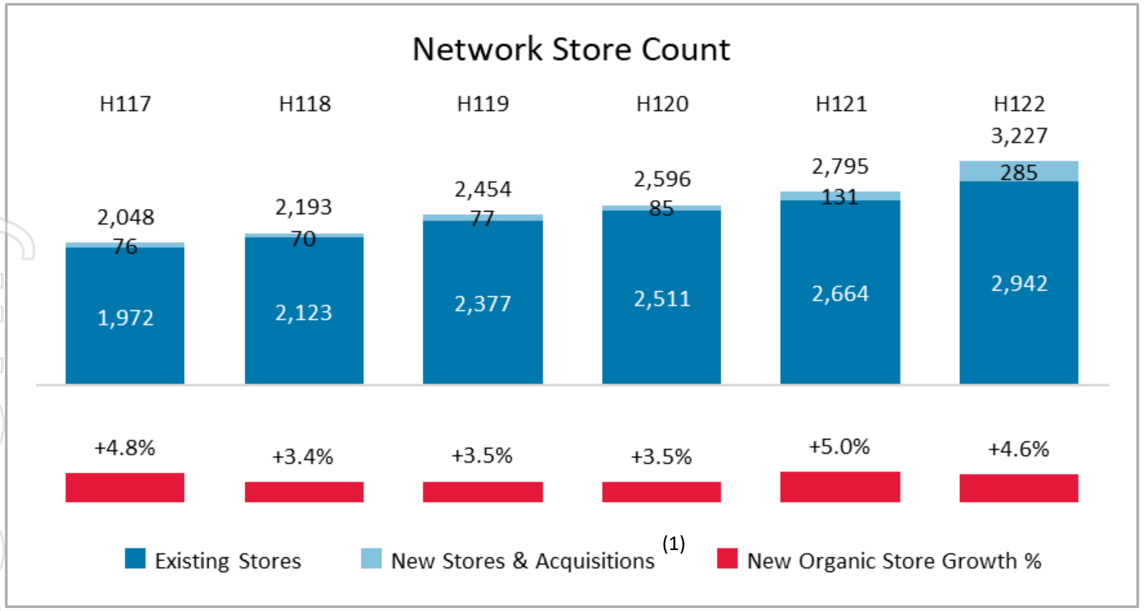



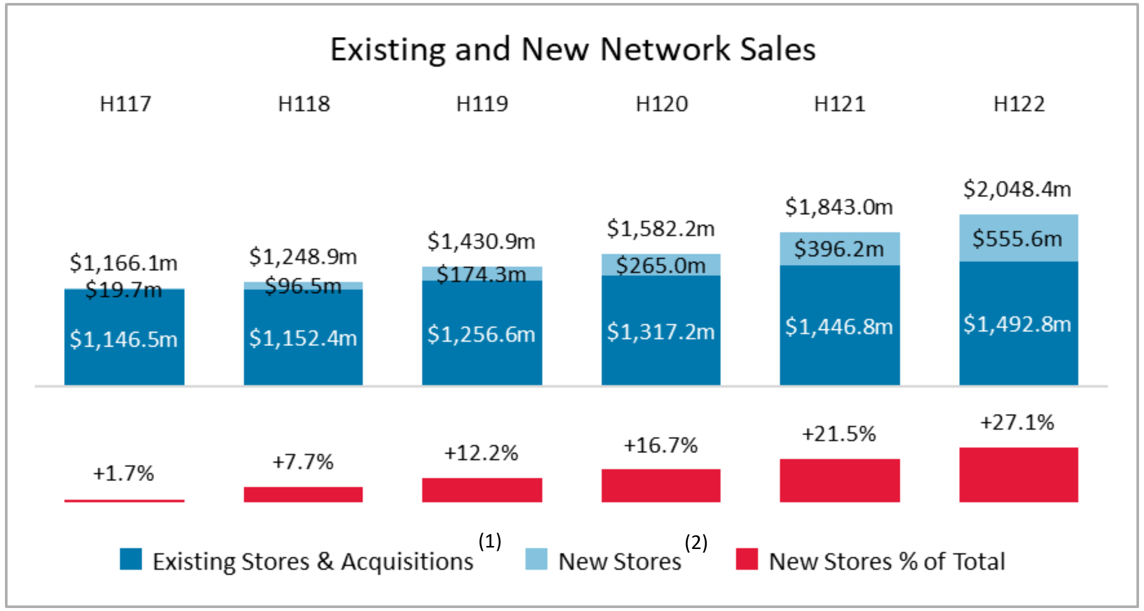

## HIGHLIGHTS

- Network Sales growth +11.1% (+$205.4m)
- Same Store Sales +2.8%
- Group Online Sales growth +11.5%, +41.3% on a 2-year basis (+$467.3m)

1) H1 22 included an additional trading week: 27-week trading period vs. 26-weeks for prior comparative periods
2) Total Network Sales growth using Half Year average FX rates, as reported during the respective periods
3) SSS is calculated in constant currency and excludes the benefit of the additional trading week in H1 22
4) Including sales via aggregator platforms, now including additional ANZ aggregator sales for H121 of $15.4m
5) Group Online Sales percentage calculated as total Online Sales divided by total Network Sales (including acquisitions)

# GROUP - NETWORK STORE ADDITIONS




- **Group**: +285 new stores added to the network during H1 22 (+432 net store additions since H1 21)
- **Europe**: +39 new stores
- **ANZ**: +3 new stores, noting +19 corporate stores were franchised in H1 22
- **Asia**: +87 new stores, +156 acquired (Taiwan)
- See Appendix 2 for further details

- Continued significant store growth, from both new and existing stores

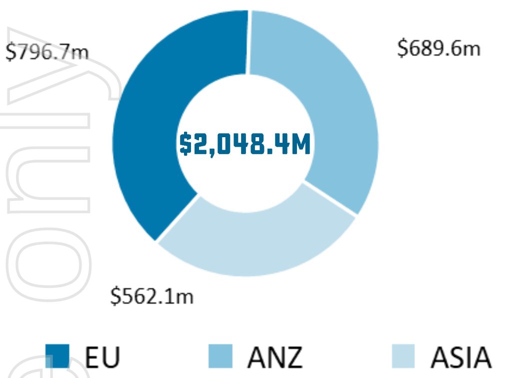


1) Including acquisitions in France (FY16), Germany (FY16 and FY18) and Taiwan (FY22)
2) New organic stores include all new stores opened after 04 July 2016

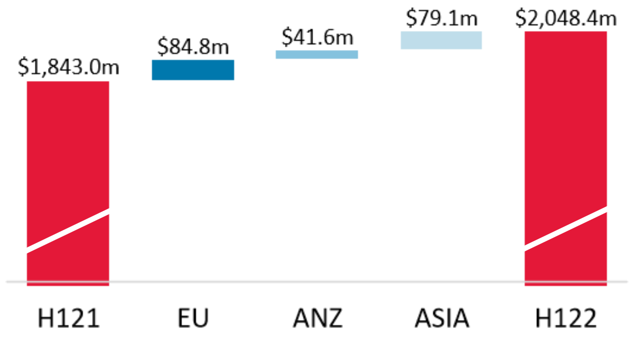
# GROUP – H1 22 DASHBOARD

## NETWORK SALES

### H122 NETWORK SALES

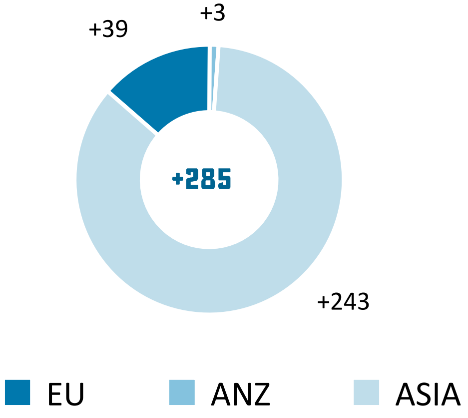



### H122 NETWORK SALES GROWTH

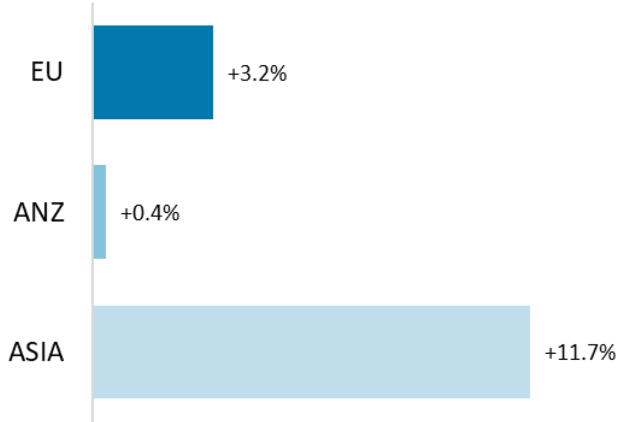



## NEW STORE NETWORK ADDITIONS

### H122 STORE ADDITIONS

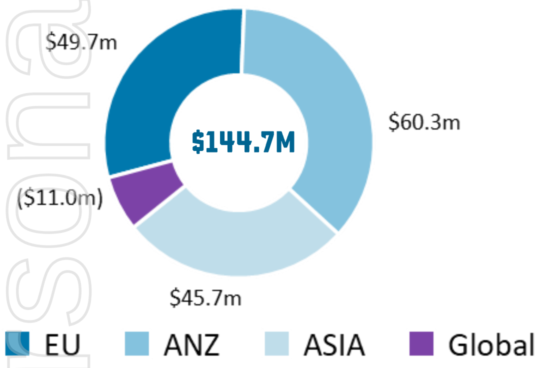



### H122 STORE ADDITIONS GROWTH

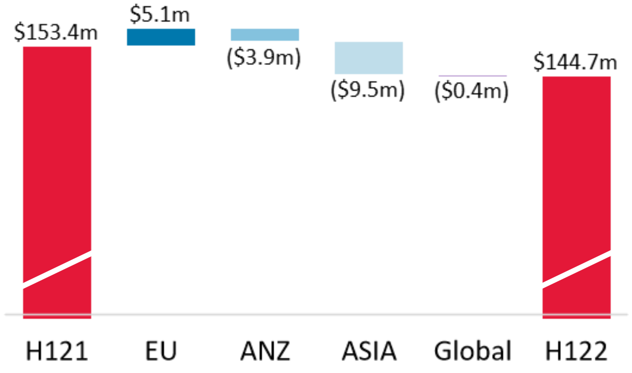



## UNDERLYING EBIT[1]

### H122 EBIT



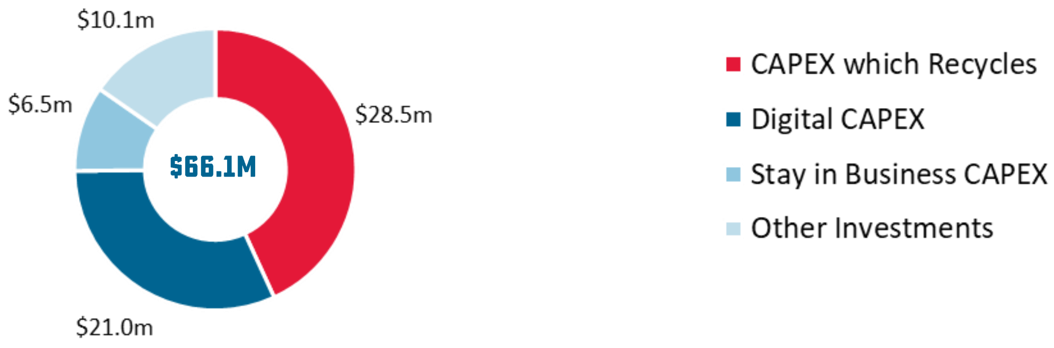

### H122 EBIT GROWTH




1) Underlying EBIT, excluding significant charges

## NET CAPEX (INVESTING ACTIVITIES)

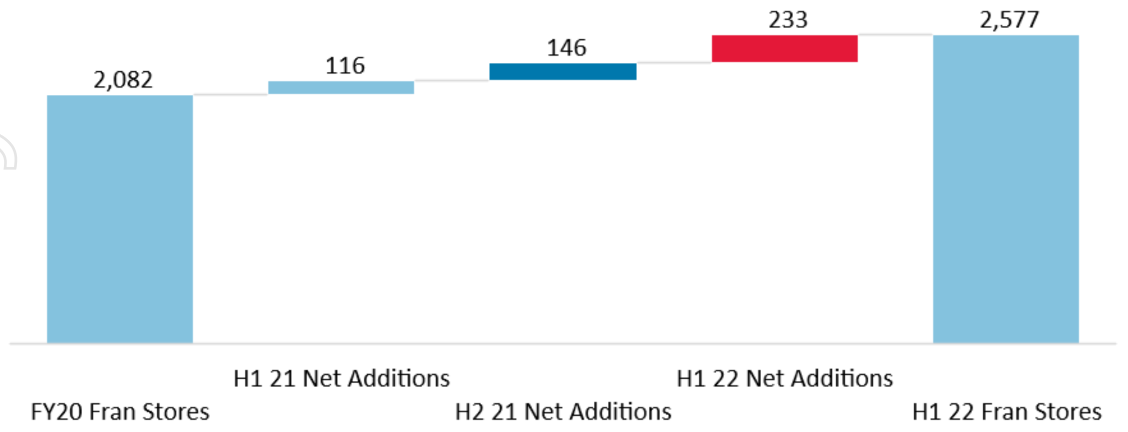
### H122 GROUP CAPEX



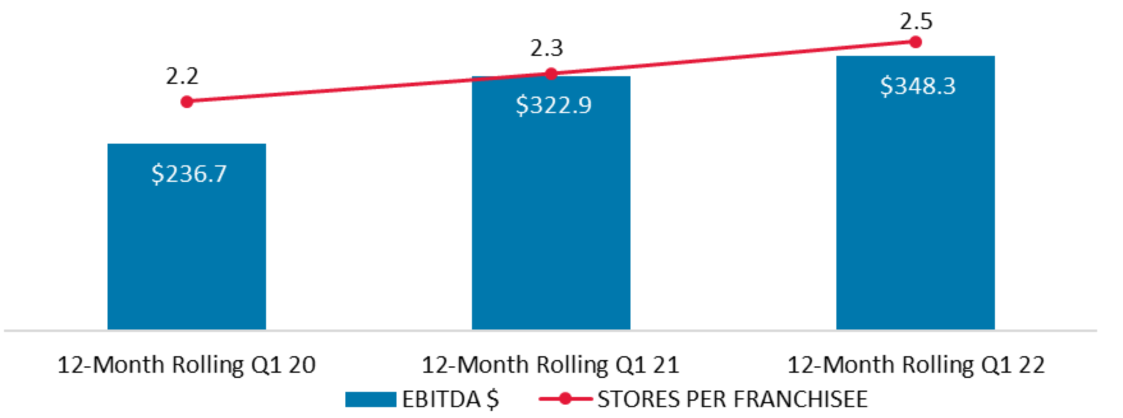

2) Note a 2-Year Dashboard is also available in Appendix 3

# GROUP - FRANCHISEE DASHBOARD

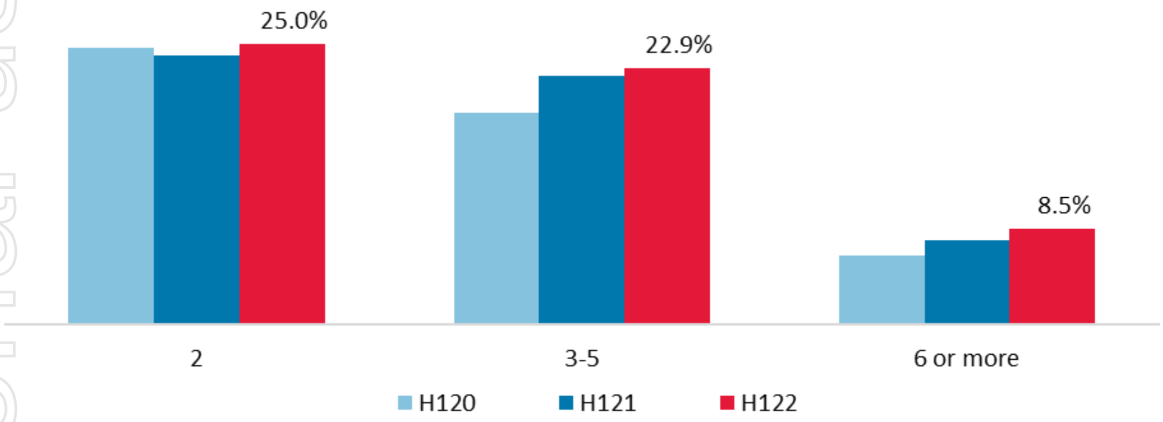
## FRANCHISED STORE COUNT [1]



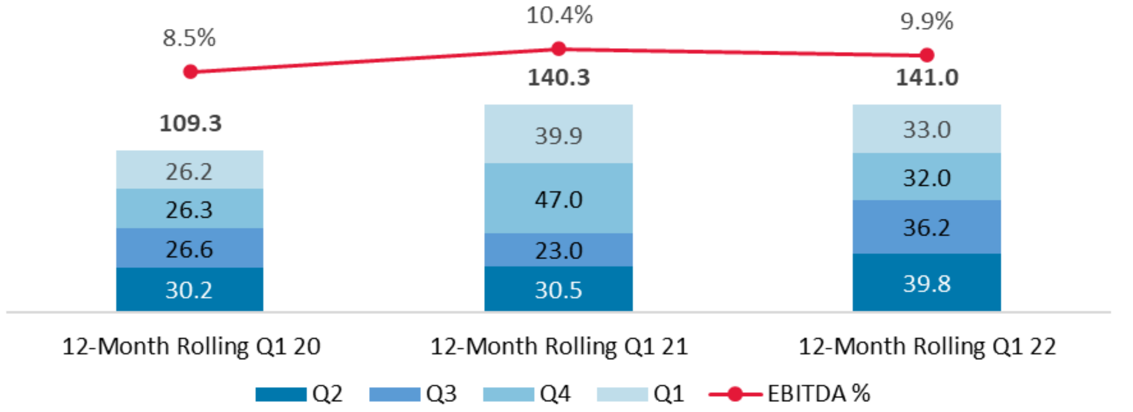

## GROUP FRANCHISEE WEIGHTED AVERAGE COMPANY EBITDA ($AUD) CONSTANT CURRENCY '000S [3]




## NUMBER OF STORES PER FRANCHISEE [2]




## GROUP FRANCHISEE WEIGHTED AVERAGE EBITDA PER STORE ($AUD) CONSTANT CURRENCY '000S [4]




1) Franchised store count based on closing period store counts as per Appendix 2
2) Number of stores per franchisee, including Taiwan for all periods
3) Group franchisee company EBITDA is calculated on the basis of multiplying Group weighted average store EBITDA submitted to DPE, by Group average number of stores per franchisee, excluding Taiwan
4) Franchisee profitability includes 80% of stores that have submitted P&Ls during Q1 22 12-month rolling period, 78% of stores for Q1 21 12-month rolling period and 78% of stores for Q1 20 12-month rolling period, excluding Taiwan

# GROUP FINANCIALS

# GROUP - FINANCIAL HIGHLIGHTS

| | H1 21 Underlying | H1 22 Underlying | Growth vs. H1 21 | | | H1 20 Underlying | Growth vs. H1 20 | |
|---|---|---|---|---|---|---|---|---|
| | $ mil | **$ mil** | $ mil | % | | $ mil | $ mil | % |
| Network Sales | 1,843.0 | 2,048.4 | 205.4 | 11.1% | | 1,582.2 | 466.2 | 29.5% |
| Revenue | 1,095.1 | 1,206.6 | 111.5 | 10.2% | | 905.8 | 300.8 | 33.2% |
| EBIT | 153.4 | 144.7 | -8.7 | -5.7% | | 115.6 | 29.1 | 25.2% |
| NPAT | 96.4 | 91.3 | -5.1 | -5.3% | | 72.4 | 18.9 | 26.1% |
| EPS (basic) | 111.4 cps | 105.5 cps | -5.9 cps | -5.3% | | 84.3 cps | 21.2 cps | 25.1% |
| Dividend Per Share | 88.4 cps | 88.4 cps | 0.0 cps | 0.0% | - | 66.7 cps | 21.7 cps | 32.5% |

## HIGHLIGHTS

- Network Sales +$205.4m half-on-half, +$466.2m on a 2-year basis
- EBIT -$8.7m half-on-half, +$29.1m on a 2-year basis
- NPAT -$5.1m half-on-half, +$18.9m on a 2-year basis
- Interim Dividend Per Share 88.4 cents (70% franked)

# GROUP - GEOGRAPHIC SUMMARY

| | H1 21 Underlying | H1 22 Underlying | Growth vs. H1 21 | | H120 Underlying | Growth vs. H120 | |
|---|---|---|---|---|---|---|---|
| | $ mil | **$ mil** | $ mil | % | $ mil | $ mil | % |
| **Revenue** | | | | | | | |
| Europe | 324.8 | 361.0 | 36.1 | 11.1% | 281.0 | 80.0 | 28.5% |
| ANZ | 383.0 | 403.0 | 20.0 | 5.2% | 343.1 | 59.9 | 17.5% |
| Asia | 387.3 | 442.6 | 55.4 | 14.3% | 281.7 | 160.9 | 57.1% |
| **Total Revenue** | **1,095.1** | **1,206.6** | **111.5** | **10.2%** | **905.8** | 300.8 | **33.2%** |
| **EBIT** | | | | | | | |
| Europe | 44.6 | 49.7 | 5.1 | 11.5% | 37.3 | 12.4 | 33.3% |
| ANZ | 64.2 | 60.3 | -3.9 | -6.1% | 58.1 | 2.3 | 3.9% |
| Asia | 55.3 | 45.7 | -9.5 | -17.3% | 26.9 | 18.9 | 70.2% |
| Global | (10.6) | (11.0) | -0.4 | -3.6% | (6.6) | -4.4 | -67.3% |
| **Total EBIT** | **153.4** | **144.7** | **-8.7** | **-5.7%** | **115.6** | **29.1** | **25.2%** |
| **EBIT Margin %** | | | | | | | |
| Europe | 13.7% | 13.8% | | | 13.3% | | |
| ANZ | 16.8% | 15.0% | | | 16.9% | | |
| Asia | 14.3% | 10.3% | | | 9.5% | | |
| **Total EBIT Margin %** | **14.0%** | **12.0%** | | | **12.8%** | | |

# GROUP - NON-RECURRING COSTS[1]

- $1.53m – AU Fast Food Industry Award class action legal defence costs[2]
- $1.54m –Taiwan acquisition costs, primarily incurred in ANZ, predominantly relating to specialist advisor fees



1) See Appendix 6 for further details on Class Action and other litigation matters
2) Non-Recurring Costs before tax. See Appendix 5 for a reconciliation between Statutory and Non Recurring profits

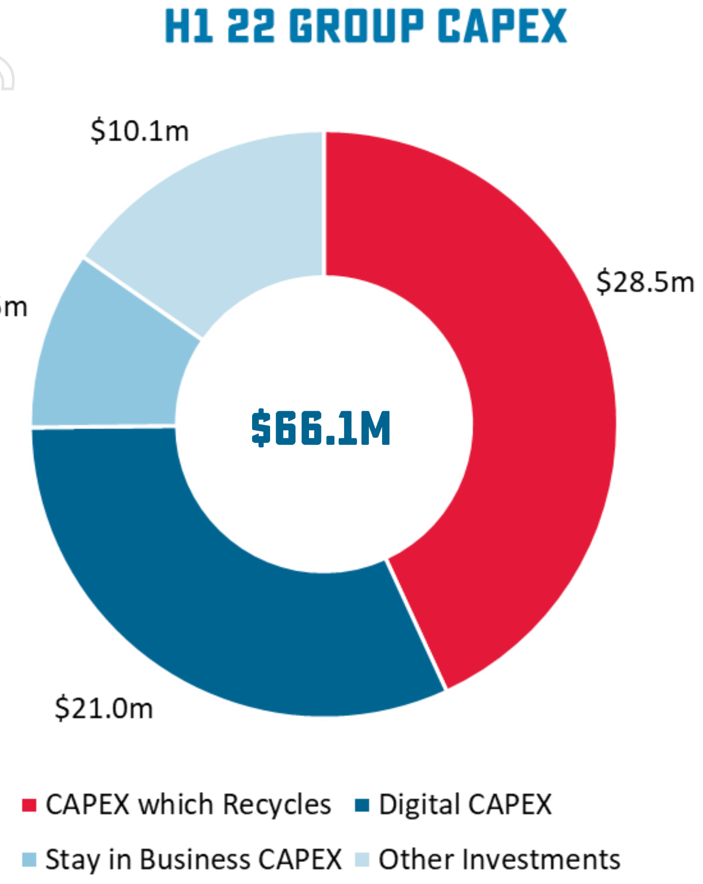
# GROUP – CASH FLOW

| | H1 20 Statutory | H1 21 Statutory | H1 22 Statutory |
|---|---|---|---|
| | **$ mil** | **$ mil** | $ mil |
| Underlying EBITDA | 176.6 | 218.2 | 212.8 |
| Change in working capital | 19.3 | (11.7) | (57.2) |
| Profit on sale of non-current assets | (11.2) | (13.2) | (13.3) |
| Other movements | (0.7) | 1.9 | (2.3) |
| **Operating cash flow before interest & tax** | **184.0** | **195.1** | **140.0** |
| Non-recurring costs | (5.7) | (1.0) | (3.1) |
| Net interest paid | (6.8) | (6.7) | (5.8) |
| Tax paid | (38.1) | (25.7) | (38.2) |
| **Net operating cash flow** | **133.4** | **161.8** | **92.8** |
| Capital expenditure | (77.8) | (67.9) | (104.0) |
| Proceeds from sale of PP&E & intangibles | 6.6 | 10.4 | 15.9 |
| Loans repaid by franchisees | 22.0 | 21.1 | 22.0 |
| **Net cash used in investing activities** | **(49.1)** | **(36.4)** | **(66.1)** |
| Net lease principal payments | (24.5) | (29.6) | (31.1) |
| **Free cashflow (ex acquisitions)** | **59.7** | **95.8** | **(4.5)** |
| Acquisitions | (1.5) | (1.0) | (79.6) |
| **Free cashflow (inc. acquisitions)** | **58.2** | **94.8** | **(84.1)** |

- H1 22 Working Capital headwind due to additional trading week[1] and resultant timing of payables (predominantly impacting Japan). As well as higher inventories to mitigate supply-chain risk and seasonality[2]
- Tax paid higher than H1 21, due to timing
- **Net operating cash flow down -42.6%, to $92.8m**
- Higher CAPEX in line with growth strategy & previously upgraded outlook
- Proceeds from sale excludes non-cash loans of $33.6m
- Loan book continues to recycle, across all Regions
- **Free cash flow (ex acquisitions) down -104.7%, to -$4.5m**
- Acquisition payments primarily relating to Taiwan ($79.4m)

1) H1 22 included an additional trading week: 27-week trading period vs. 26-weeks for prior comparative periods
2) See Appendix 8 for further details on Working Capital

# GROUP – INVESTING ACTIVITIES (CAPEX)




- **H1 22 Net CAPEX $66.1m (Prior Half $36.4m)**
- **CAPEX which Recycles $28.5m (Prior Half $10.3m)**
  - Gross CAPEX $66.4m, including investment in new corporate stores (primarily Japan), franchisee loans for new and existing stores and franchisee acquisitions (predominantly Europe and ANZ)
  - Cash inflows $37.9m, arising from franchisee loan repayments and proceeds on sale of corporate stores
- **Digital CAPEX $21.0m (Prior Half $6.8m)**
  - Including investment in online digital platforms, such as: new Native Ordering App, Next Generation Online Ordering System, new GPS Driver Tracker, upgraded Voucher Tool Solution and other sales-driving activities
- **"Stay in Business" CAPEX $6.5m (Prior Half $10.8m)**
  - Including investment in corporate store refurbishments and upgrades
- **Other Investments $10.1m (Prior Half $8.5m)**
  - Including Head Office, operational initiatives & logistics and back-of-house systems

# GROUP - BALANCE SHEET

| | H1 21 Statutory | FY 21 Statutory | H1 22 Statutory | Growth vs. H1 21 |
|---|---|---|---|---|
| | $ mil | $ mil | **$ mil** | $ mil |
| Cash & cash equivalents | 177.3 | 174.7 | 107.6 | -67.1 |
| Trade and other receivables | 177.8 | 145.8 | 157.2 | 11.4 |
| Other current assets | 138.7 | 134.3 | 163.7 | 29.3 |
| **Total Current Assets** | **493.8** | **454.8** | **428.4** | **-26.3** |
| | | | | |
| Property, plant & equipment | 269.6 | 274.1 | 282.4 | 8.2 |
| Other non-current assets | 1,670.3 | 1,623.5 | 1,767.5 | 144.0 |
| **Total Non-current Assets** | **1,940.0** | **1,897.7** | **2,049.9** | **152.2** |
| **Total Assets** | **2,433.7** | **2,352.4** | **2,478.3** | **125.9** |
| | | | | |
| Trade & other payables | 346.1 | 353.5 | 337.6 | -15.9 |
| Current tax liabilities | 27.5 | 29.0 | 27.4 | -1.6 |
| Other current liabilities | 170.3 | 156.3 | 337.6 | 181.2 |
| **Total Current Liabilities** | **543.9** | **538.8** | **702.6** | **163.8** |
| | | | | |
| Borrowings | 546.1 | 507.4 | 594.2 | 86.8 |
| Other non-current liabilities | 936.5 | 911.1 | 771.0 | -140.1 |
| **Total Non-current Liabilities** | **1,482.6** | **1,418.5** | **1,365.2** | **-53.2** |
| **Total Liabilities** | **2,026.6** | **1,957.3** | **2,067.8** | **110.6** |
| **Net Assets** | **407.2** | **395.1** | **410.5** | **15.4** |
| | | | | |
| New Zealand spot FX | 1.073 | 1.073 | 1.063 | |
| Europe spot FX | 0.612 | 0.636 | 0.641 | |
| Asia spot FX | 75.986 | 84.170 | 83.520 | |

- Net debt[1] increases $162.6m vs. Full Year and $114.5m vs. H1 21, noting Taiwan acquisition of $79.4m during the period
- Other Current liabilities increased, primarily due to Germany Put/Call Option reclassification from Non-current liabilities ($172.1m)

1) Banking Covenant Ratios excluding AASB16 – see Appendix 9 for further details

# GROUP - KEY FINANCIAL RATIOS

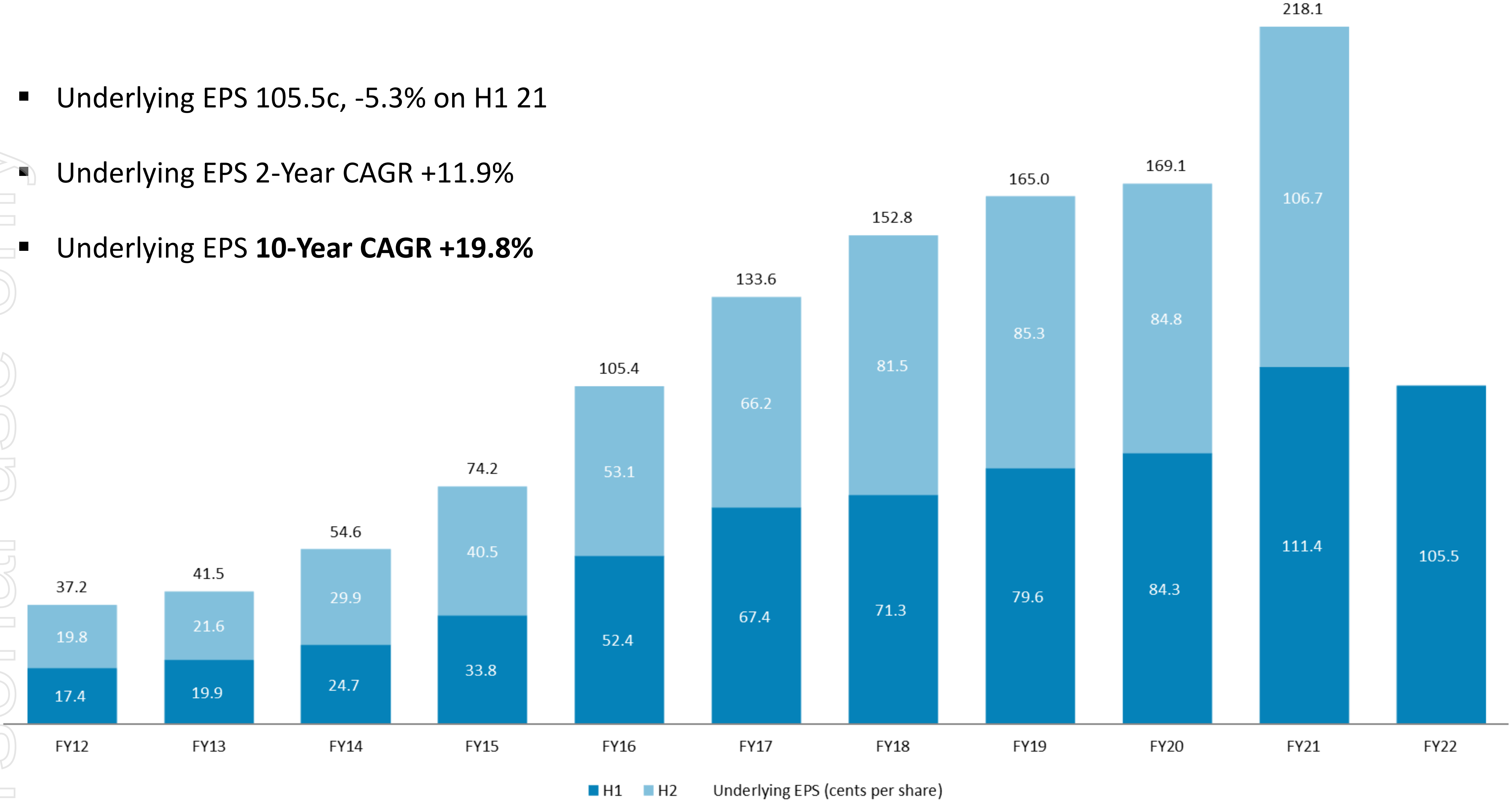
| | H1 21 Underlying | FY21 Underlying | H1 22 Underlying |
|---|---|---|---|
| ***DPE Key Financial Ratios*** [1] | | | |
| Return on Equity | 44.4% | 49.3% | 48.0% |
| Return on Capital Employed | 16.1% | 18.8% | 18.1% |
| Cash Conversion | 89.4% | 106.0% | 65.8% |
| ***Banking Covenant Ratios*** [2] | | | |
| Interest Coverage Ratio | 29.1x | 34.5x | 36.3x |
| Net Debt | $376.7m | $328.6m | $491.2m |
| Net Leverage Ratio | 1.1x | 0.9x | 1.4x |

- **ROE remains strong**, due to continued, robust, profits
- **ROCE remains strong**, due to robust EBIT, whilst DPE continues to invest in our international markets and Corporate stores
- **Cash Conversion declines**, primarily due to adverse working capital position resulting from timing of Financial Half-Year close (additional trading week in H1)
- **Interest Coverage Ratio improves**, due to robust EBITDA, coupled with low interest-bearing debt
- **Net Debt increases by $162.6m** vs. FY21, primarily due to: Taiwan acquisition ($79.4m), adverse working capital position ($57.2m), from timing of additional trading week, and higher CAPEX ($29.7m)
- **Net Leverage ratio increases**, primarily as a result of an higher net debt

1) DPE key financial ratios including AASB16 – see Appendices 7 & 8 for further details
2) Banking Covenant Ratios excluding AASB16 – see Appendix 9 for further details

# GROUP - UNDERLYING EARNINGS PER SHARE

- Underlying EPS 105.5c, -5.3% on H1 21
- Underlying EPS 2-Year CAGR +11.9%
- Underlying EPS **10-Year CAGR +19.8%**



# EUROPE

| TOTAL STORES | NEW STORES OPENED FYTD | ACQUIRED STORES FYTD |
|---|---|---|
| 1,329 | 47 | - |

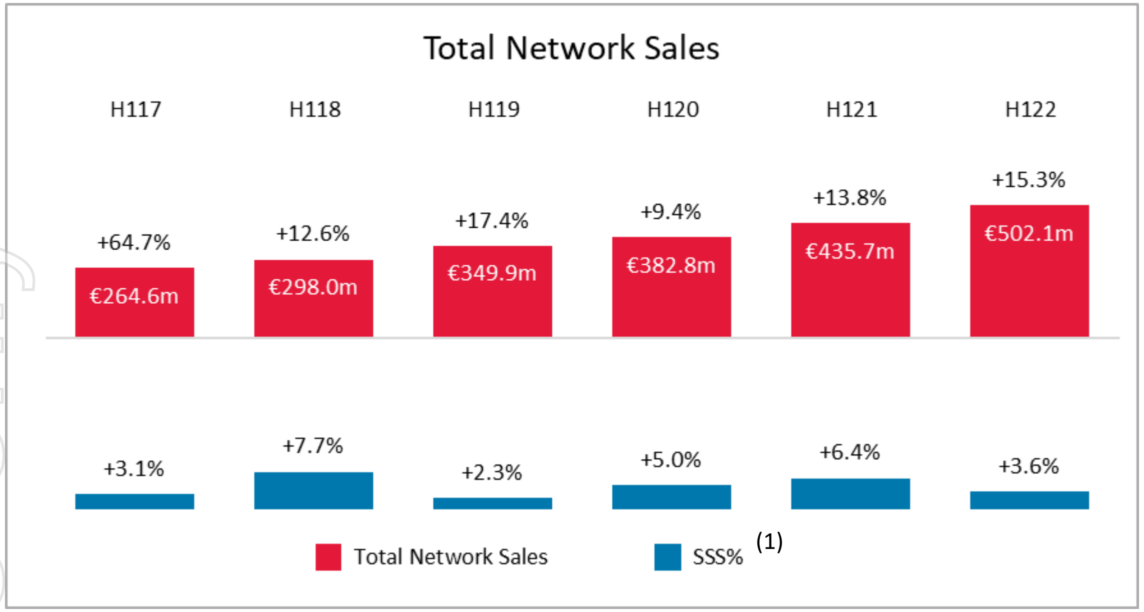
# EUROPE – FINANCIAL HIGHLIGHTS (AUD)

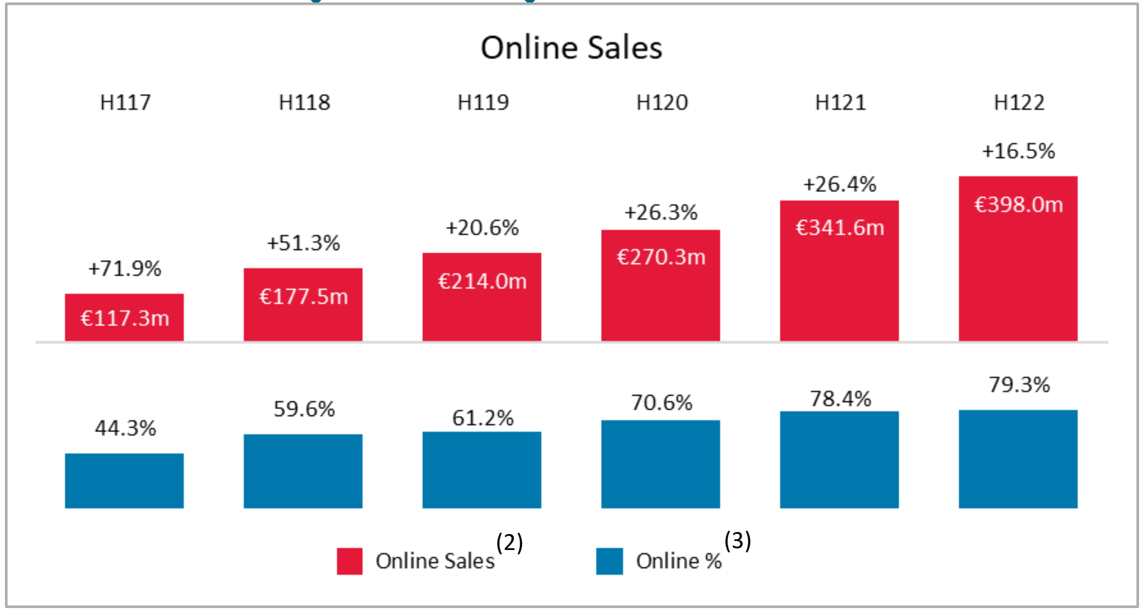
| | H1 21 Underlying | H1 22 Underlying | Growth vs. H1 21 | | H1 20 Underlying | Growth vs. H1 20 | |
|---|---|---|---|---|---|---|---|
| **Europe** | **$ mil** | **$ mil** | **$ mil** | **%** | **$ mil** | **$ mil** | **%** |
| Network Sales | 711.9 | 796.7 | 84.8 | 11.9% | 620.7 | 176.0 | 28.4% |
| Revenue | 324.8 | 361.0 | 36.1 | 11.1% | 281.0 | 80.0 | 28.5% |
| EBITDA | 63.8 | 70.5 | 6.7 | 10.4% | 53.2 | 17.2 | 32.4% |
| EBIT | 44.6 | 49.7 | 5.1 | 11.5% | 37.3 | 12.4 | 33.3% |
| EBITDA on Revenue | 19.6% | 19.5% | | | 18.9% | | |
| EBIT on Revenue | 13.7% | 13.8% | | | 13.3% | | |

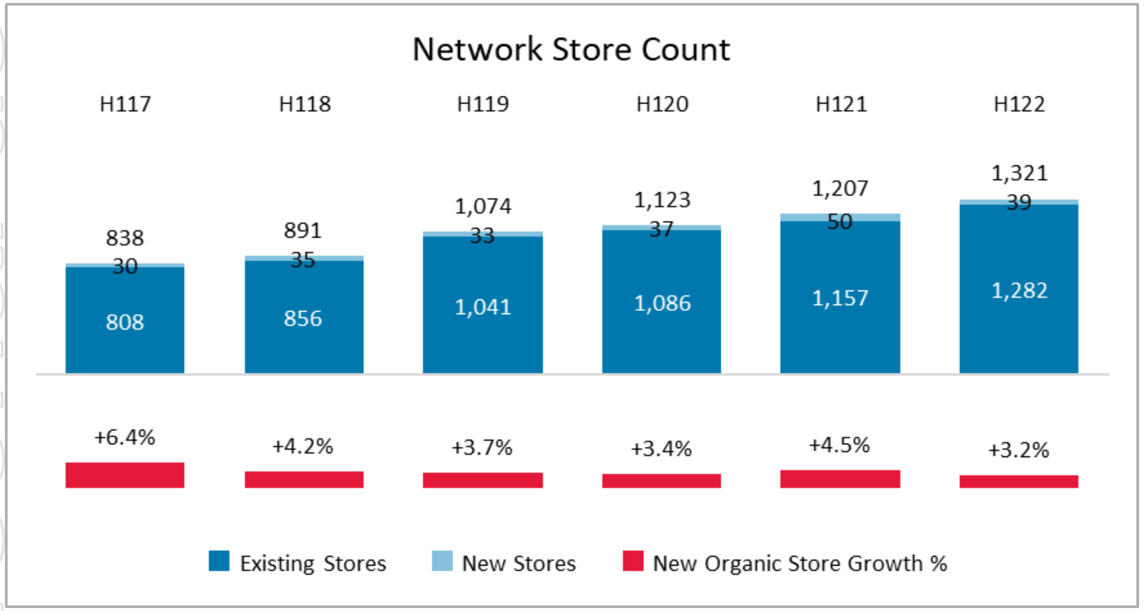
## HIGHLIGHTS

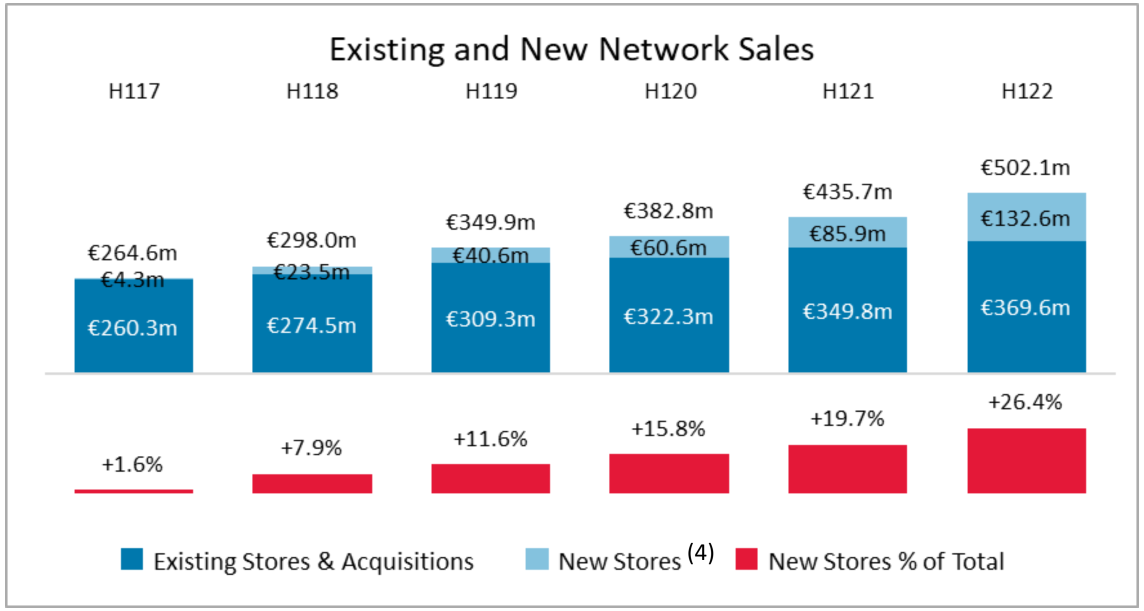
- Network Sales growth +11.9% (+$84.8m), +28.4% on a 2-year basis (+$176.0m)
- EBIT +11.5% (+$5.1m), +33.3% on a 2-year basis (+$12.4m)
- Continued strong Network Sales and EBIT growth in Europe, especially in Q1

# EUROPE – DASHBOARD (EURO)




1) H1 22 closing same-store count was 917 out of 1,321 total stores (69.4%)
2) Including sales via aggregator platforms
3) Online Sales percentage calculated as total Online Sales divided by total Network Sales
4) New organic stores include all new stores opened after 04 July 2016

# EUROPE – REGION IN FOCUS

## Germany

**383 TOTAL STORES H122**

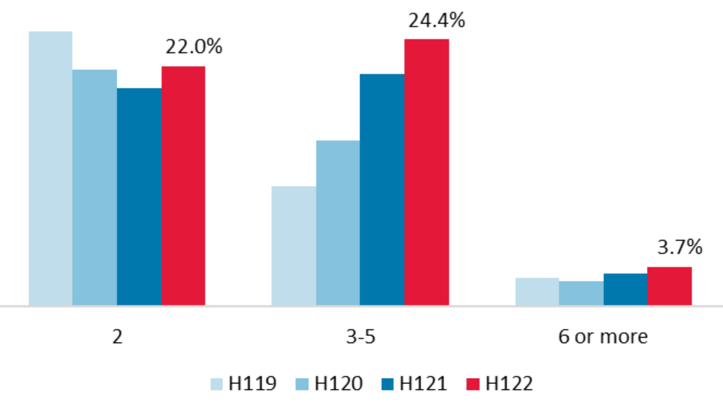
**+15 NEW STORES**

**AVERAGE NUMBER OF STORES PER FRANCHISEE:**

**2.2 (+0.2)**

**POPULATION: 83.2M**
**217,000+**
**PEOPLE PER STORE**

**Number of Stores per Franchisee**




## Benelux

**458 TOTAL STORES H122**

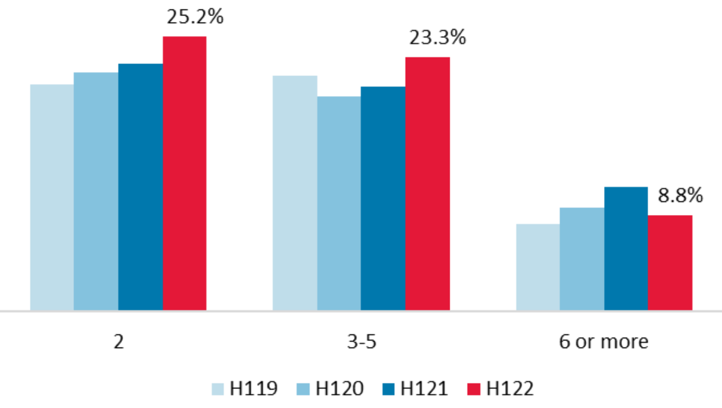
**+11 NEW STORES**

**AVERAGE NUMBER OF STORES PER FRANCHISEE:**

**2.6 (-0.1)**

**POPULATION: 29.9M**
**65,000+**
**PEOPLE PER STORE**

**Number of Stores per Franchisee**




## France

**457 TOTAL STORES H122**

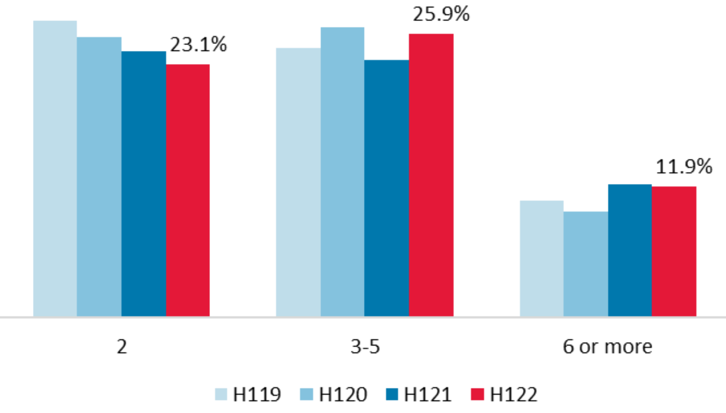
**+9 NEW STORES**

**AVERAGE NUMBER OF STORES PER FRANCHISEE:**

**3.0 (+0.0)**

**POPULATION: 67.8M**
**148,000+**
**PEOPLE PER STORE**

**Number of Stores per Franchisee**




## Denmark

**23 TOTAL STORES H122**

**+4 NEW STORES**

**POPULATION: 5.9M**
**257,000+**
**PEOPLE PER STORE**

# EUROPE – PERFORMANCE

## DOMINO'S AND OUR FRANCHISEES ARE BUILDING A STRONGER, MORE PROFITABLE, BUSINESS – GROWING DELIVERY

- **Germany:** Positive growth in H1, with strong two-year CAGR – successfully cycling high comps in H1
- **France:** Retained record delivery customers (now >50%), noting reduced carry-out is affecting performance
- **Benelux:** Particularly positive growth in Benelux, from both carry-out and delivery
- Store openings remain above pre-COVID-19 levels, with a high level of franchisee appetite for expansion
- **Franchisee profitability, and alignment with Domino's long-term strategy, is positive vs. pre-COVID-19**
- Experienced franchisees have demonstrated their resilience and customer-focus in facing high levels of COVID-19 in all markets
  - While restrictions are easing, the pandemic continues to affect customer behaviour and operations
  - Carry-out sales remain affected, with the growth in delivery growing total sales
  - Team member cases and quarantine requirements for close-contacts have demanded temporary store closures, limited trading hours or reduced deliveries
  - Nonetheless, **Domino's has lowered delivery times, winning and retaining customers**

# ASIA

| TOTAL STORES | NEW STORES OPENED FYTD | ACQUIRED STORES FYTD |
|---|---|---|
| 1,055 | 99 | 156 |

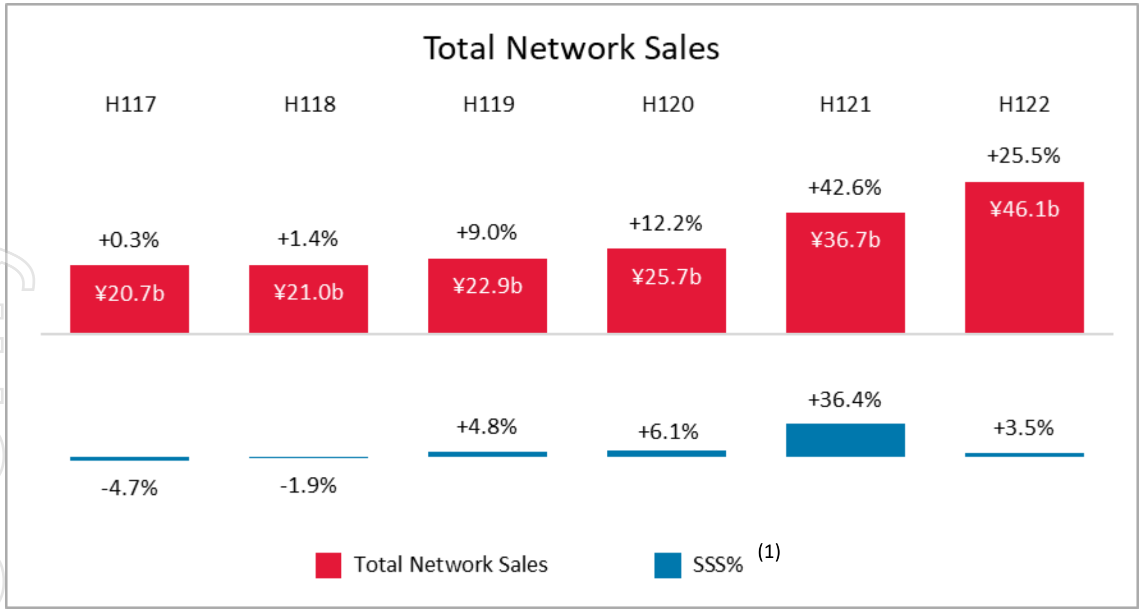
# ASIA – FINANCIAL HIGHLIGHTS (AUD)

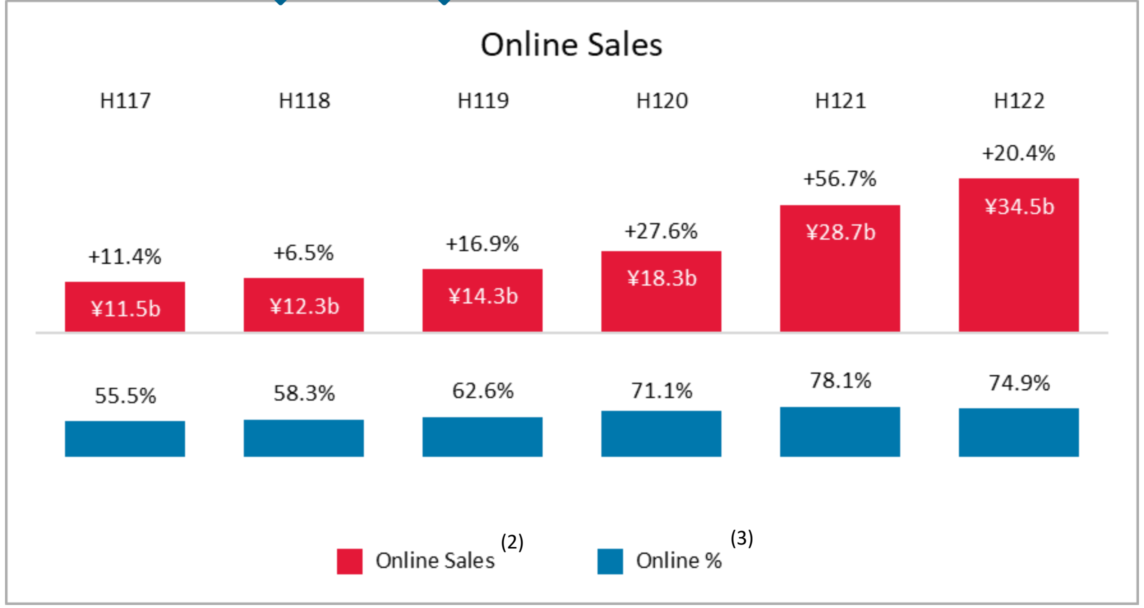
| Asia | H1 21 Underlying | H1 22 Underlying | Growth vs. H1 21 | | H1 20 Underlying | Growth vs. H1 20 | |
|---|---|---|---|---|---|---|---|
| | $ mil | $ mil | $ mil | % | $ mil | $ mil | % |
| Network Sales | 483.1 | 562.1 | 79.1 | 16.4% ↑ | 348.3 | 213.9 | 61.4% ↑ |
| Revenue | 387.3 | 442.6 | 55.4 | 14.3% ↑ | 281.7 | 160.9 | 57.1% ↑ |
| EBITDA | 82.1 | 74.2 | -8.0 | -9.7% ↓ | 53.2 | 21.0 | 39.4% ↑ |
| EBIT | 55.3 | 45.7 | -9.5 | -17.3% ↓ | 26.9 | 18.9 | 70.2% ↑ |
| EBITDA on Revenue | 21.2% | 16.8% | | | 18.9% | | |
| EBIT on Revenue | 14.3% | 10.3% | | | 9.5% | | |

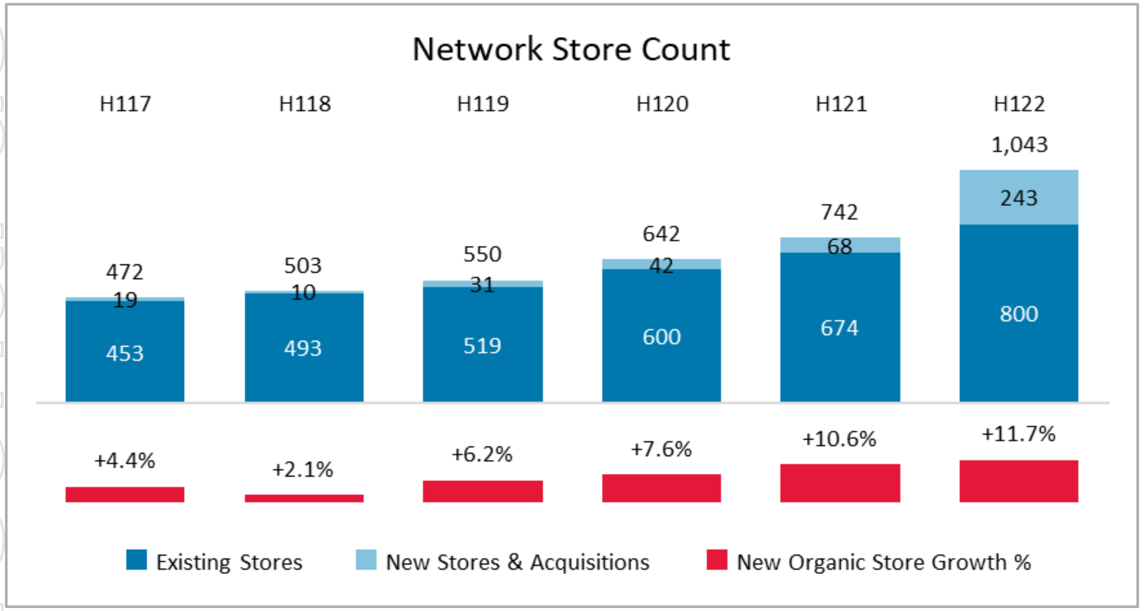
## HIGHLIGHTS

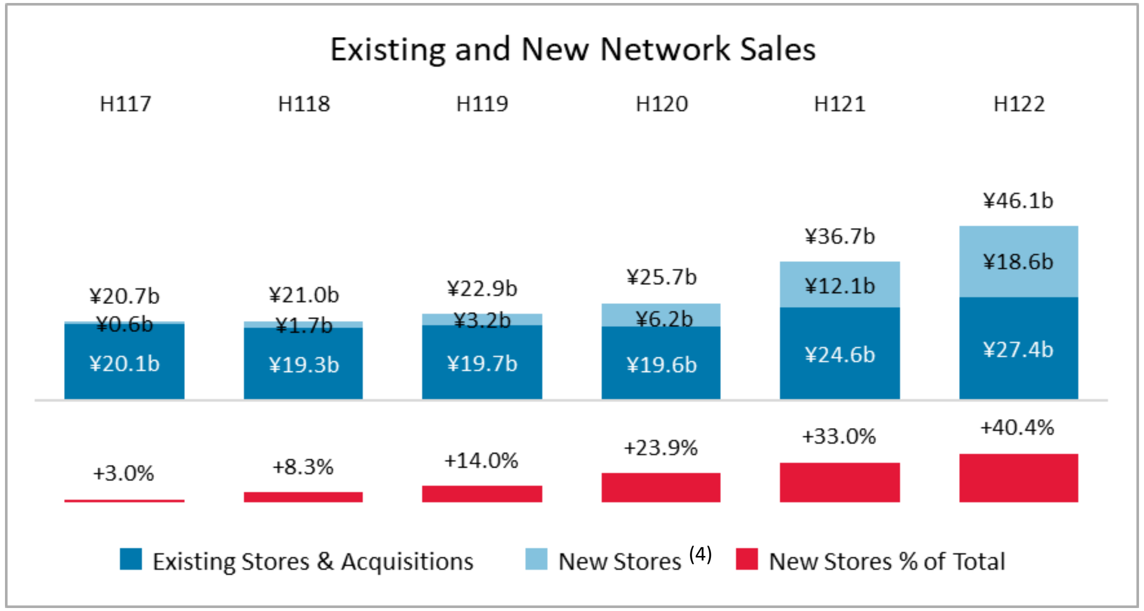
- Network Sales growth +16.4% (+$79.1m), +61.4% on a 2-year basis (+$213.9m)
- EBIT -17.3% (-$9.5m), +70.2% on a 2-year basis (+$18.9m)
- Rebasing of Japan Network Sales and EBIT per store in Q2, following the lifting of State of Emergency
- Accelerated new corporate store roll-out in Japan resulting in margin compression for these immature stores, noting +208 new corporate stores opened in the last 36 months

# ASIA – DASHBOARD (YEN)




1) H1 22 closing store same-store count of was 468 out of 1,043 total stores (44.9 %)
2) Including sales via aggregator platforms from FY20 onwards, FY21 ¥6.6b and FY20 ¥3.9b
3) Online Sales percentage calculated as total Online Sales divided by total Network Sales
4) New organic stores include all new stores opened after 4 July 2016

# ASIA – REGION IN FOCUS

## Japan

**882 TOTAL STORES H122**

**+82 NEW STORES**

**AVERAGE NUMBER OF STORES PER FRANCHISEE:**

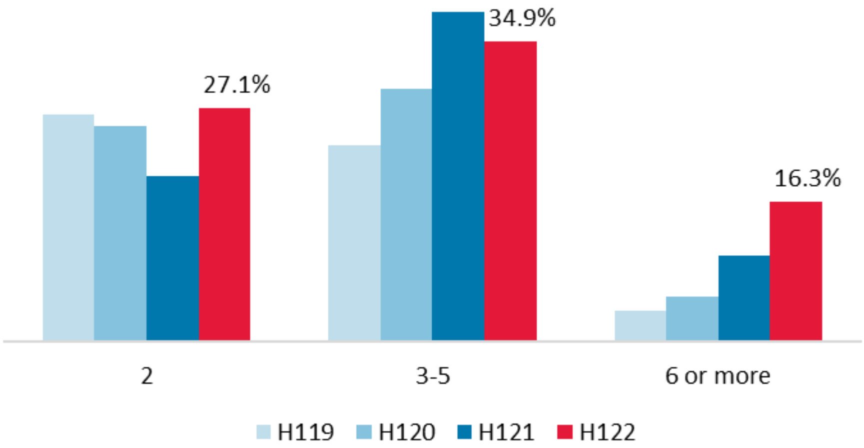
**3.5**(+0.5)

POPULATION: 125.4M

**142,000+**

PEOPLE PER STORE

**Number of Stores per Franchisee**




## Taiwan

**161 TOTAL STORES H122**

**+5 NEW STORES**

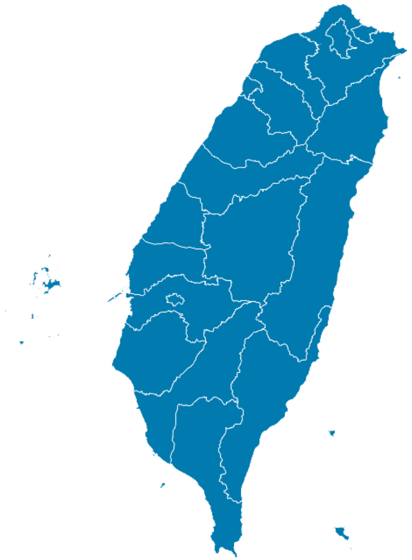
**AVERAGE NUMBER OF STORES PER FRANCHISEE:**

**3.9**(+0.2)

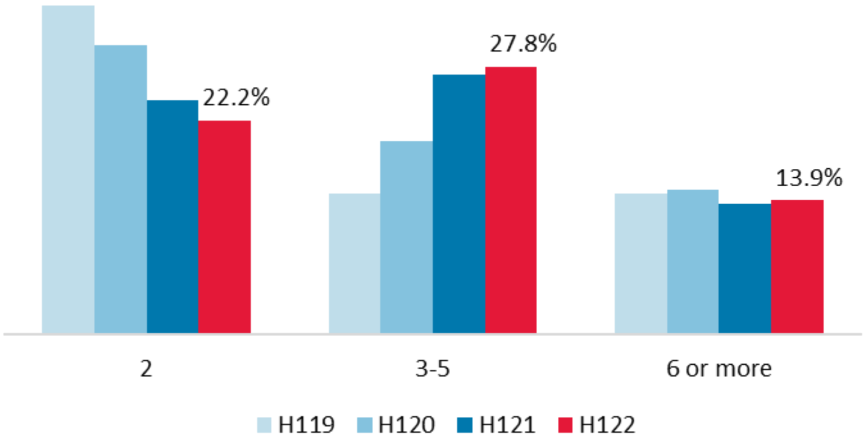
POPULATION: 23.4M

**145,000+**

PEOPLE PER STORE



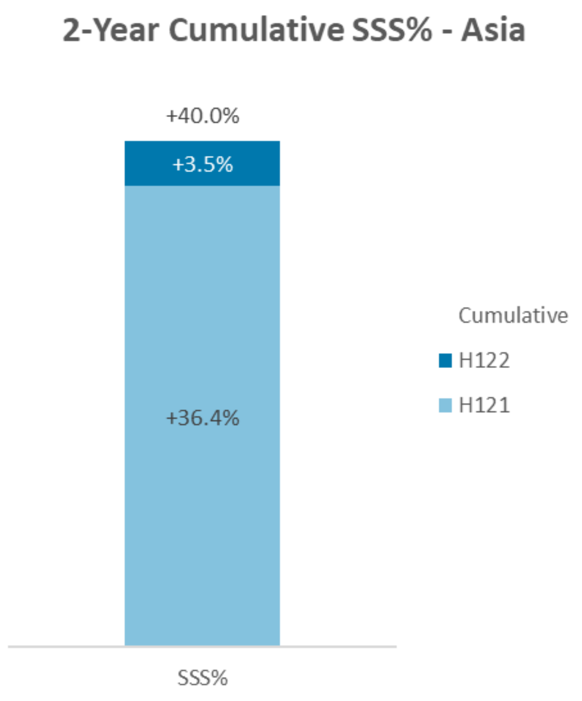
**Number of Stores per Franchisee**



# ASIA – PERFORMANCE

## OUR ASIAN BUSINESS HAS BUILT A REGIONAL CENTRE OF EXCELLENCE – A FOUNDATION FOR SIGNIFICANT ONGOING GROWTH

- Q1 Network Sales set new records, compounding very strong figures from prior periods
- Customer behaviour in Japan rapidly changed following the lifting of a nationwide State of Emergency in October 2021
  - SSS in Q2 was -12.4%, +27.9% on a 2-year basis, with stores experienced a rebasing, not an ongoing decline
  - Despite this rebasing, Christmas trading set a new record
- Japan set a new record for store openings (+140 new stores in Calendar Year 2021): franchisee appetite for new stores is strong and management reaffirms outlook(1)
- Taiwan business is performing ahead of expectations – high quality team are excited to deliver, as part of the DPE family
- DPE's newest market opened 5 new stores – strongest new store growth half in 3 years
- Planned investment in Taiwan will allow for expansion, delivering on long-term outlook




1) Japan long-term store milestone: 2,000 stores by 2033, further details on Japan's expansion progress are outlined in Appendix 10

# ANZ

| TOTAL STORES | NEW STORES OPENED FYTD | ACQUIRED STORES FYTD |
|---|---|---|
| 866 | 6 | - |

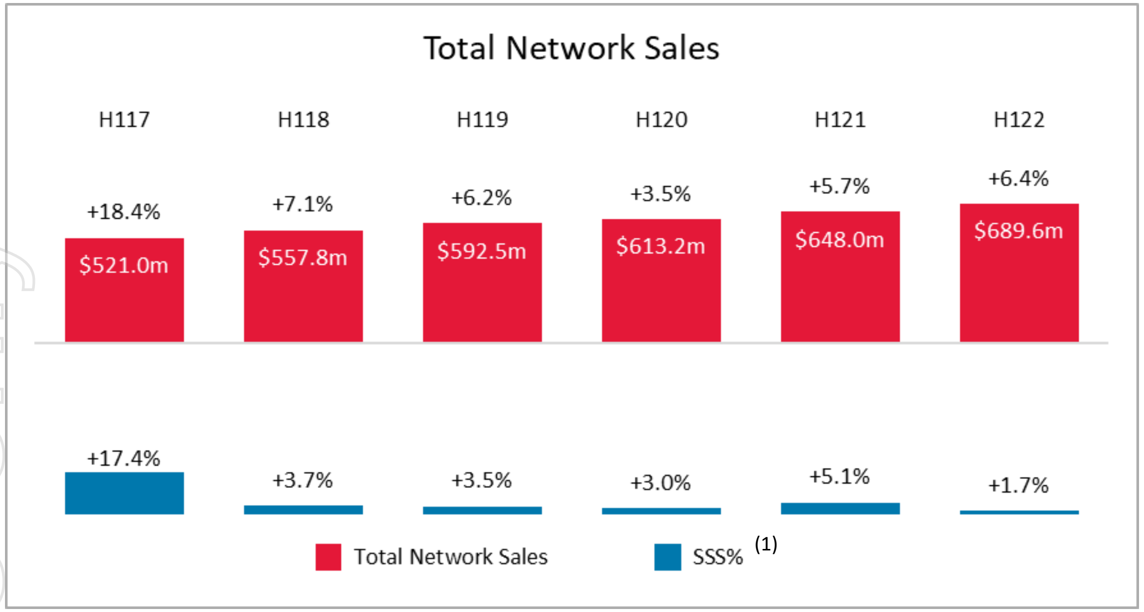
# ANZ – FINANCIAL HIGHLIGHTS (AUD)

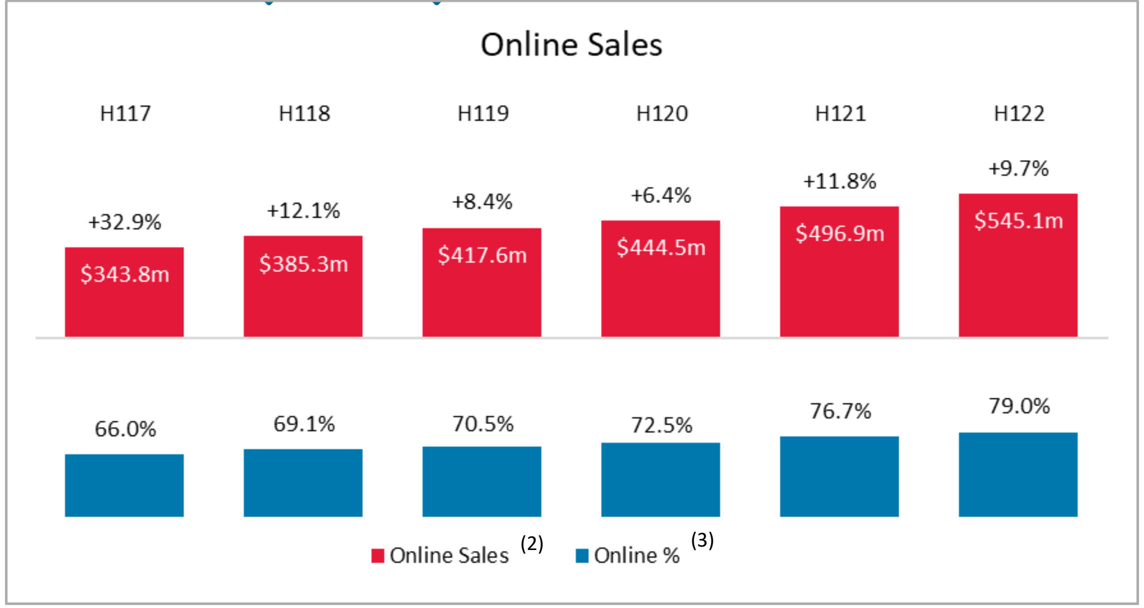
| | H1 21 Underlying | H1 22 Underlying | Growth vs. H1 21 | | H1 20 Underlying | Growth vs. H1 20 | |
|---|---|---|---|---|---|---|---|
| **ANZ** | **$ mil** | **$ mil** | **$ mil** | **%** | **$ mil** | **$ mil** | **%** |
| Network Sales | 648.0 | 689.6 | 41.6 | 6.4% | 613.2 | 76.4 | 12.5% |
| Revenue | 383.0 | 403.0 | 20.0 | 5.2% | 343.1 | 59.9 | 17.5% |
| EBITDA | 82.4 | 78.7 | -3.7 | -4.5% | 76.8 | 1.8 | 2.4% |
| EBIT | 64.2 | 60.3 | -3.9 | -6.1% | 58.1 | 2.3 | 3.9% |
| EBITDA on Revenue | 21.5% | 19.5% | | | 22.4% | | |
| EBIT on Revenue | 16.8% | 15.0% | | | 16.9% | | |

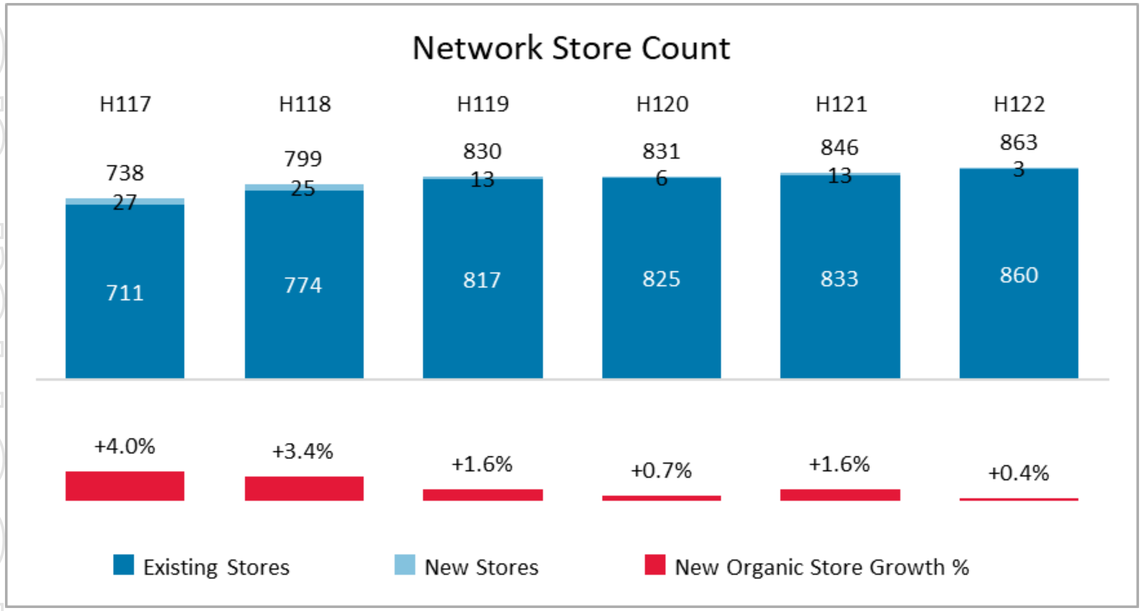
## HIGHLIGHTS

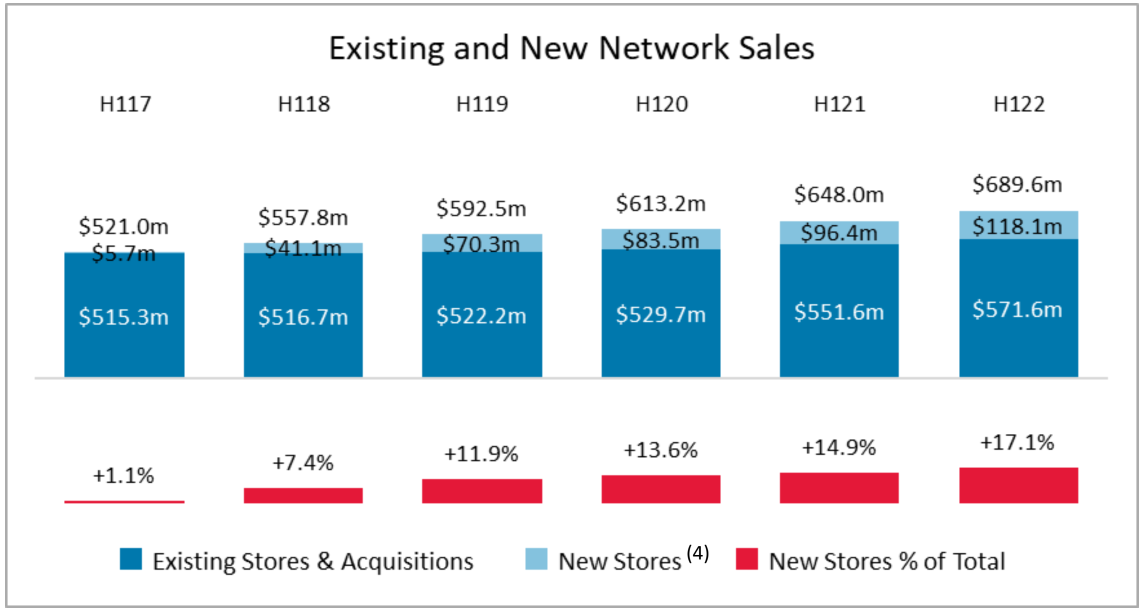
- Network Sales growth +6.4% (+$41.6m), +12.5% on a 2-year basis (+$76.4m)
- EBIT -6.1% (-$3.9m), +3.9% on a 2-year basis (+$2.3m)
- Reinvestment in the ANZ franchisee base through Project Ignite (previously flagged), impacting H1 EBIT margin by c. $6.0m
- Full and partial temporary store closures arising from COVID-19, noting NZ was closed for 4 full weeks during August, with Auckland stores closed for an more extended period of time, impacting EBIT by c. $1.8m in H1

# ANZ – DASHBOARD (AUD)




1) H1 22 closing same-store count was 778 out of 865 total stores (89.9%)
2) Including sales via aggregator platforms, now including additional sales of $15.4m for H1 21
3) Online Sales percentage calculated as total Online Sales divided by total Network Sales
4) New organic stores include all new stores opened after 4 July 2016

# ANZ – REGION IN FOCUS

**863 TOTAL STORES H122**

**+3 NEW STORES**

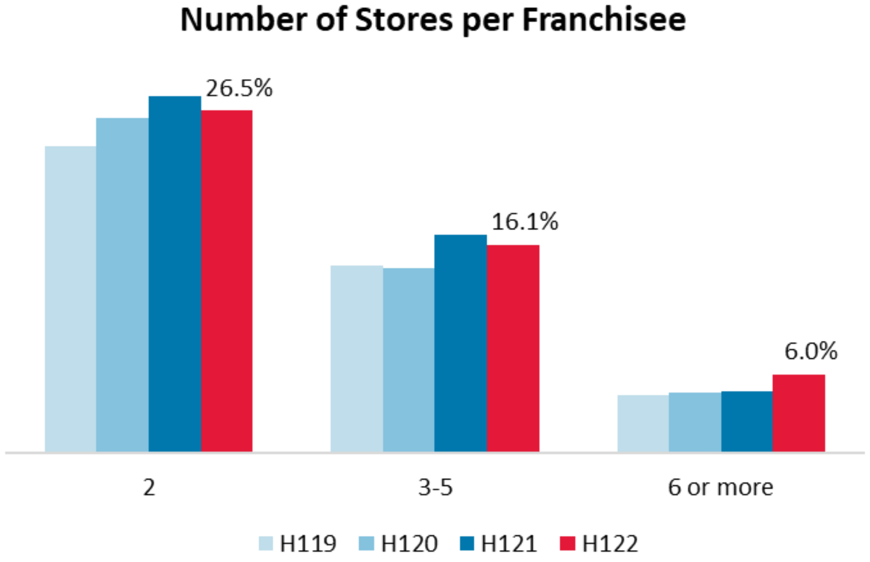
**AVERAGE NUMBER OF STORES PER FRANCHISEE:**

**2.1** (+0.0)

POPULATION: 31.0M

**36,000+**

PEOPLE PER STORE




# ANZ – FORTRESSING THE FRANCHISEE BASE

## OUR REINVESTMENT IN OUR FRANCHISEES – PROJECT IGNITE – IS DELIVERING PLEASING INITIAL RESULTS

The Project Ignite reinvestment (c. $6m in H1 22)(1) will deliver long-term benefits:

- Fortressing underpenetrated markets, especially Victoria and South Australia
- Network improvement, as high-quality franchisees purchase underperforming stores, and new franchisees take up opportunities for trial ownership
- DPE will retain a smaller core of corporate stores to strengthen our brand

Franchisees have demonstrated they are invested in our future:

- Franchisee enterprise expansion is strong – including recently through franchisee acquisitions or corporate store purchases
- 58 franchisees expanded their business in H1 – 25 expanded by 2+ stores
- 19 Corporate stores were franchised to existing store managers or franchisees
- **A record calendar year for organic store openings for ANZ is planned in CY22**

> - *Operations 360 has delivered a meaningful improvement in the franchisee cohort – lifting both operations & unit economics*
>   - *37 franchisees with the lowest operational performance (54 stores) have left the system since FY19*
>   - *The tail-end franchisee cohort now have higher operational ratings, customer satisfaction and profits vs FY19*
>
> ***- DMP Full year presentation – August 2021***



1) Financial impact to DPE is estimated to be circa $12.0m in FY22 (ref. FY Market Presentation August 2021)

# ANZ – PERFORMANCE

## DOMINO'S DELIVERS VALUE TO CUSTOMERS, AND ONGOING GROWTH TO FRANCHISEES

- Domino's ANZ appointed experienced leaders to CEO and CMO positions – with a focus on enhancing existing strategies
- Ongoing hiring efforts have allowed stores to resource larger delivery volumes vs. prior year
- Heightened COVID-19 case numbers increased customer demand in Q1 but also affected staffing levels in stores, for example due to team members being required to quarantine
- **Increased sales from Q2, and new menu offerings, delivered strong H1 franchisee profits**
- Despite significant community-wide challenges – stores reduced average delivery times
- Newly launched Value Max range is resonating with customers and franchisees
- The December trading period set a record for the network, with 405 stores breaking their weekly sales record[(2)]
- Significant progress made in re-franchising of corporate stores, with step-up in organic store openings planned in H2

1) See Appendix 11 for an assessment of our business from our new ANZ CEO David Burness
2) Per internal "Sales – Records Broken Post Spilt" report for ANZ

# DOMINO'S FOR GOOD

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

# DOMINO'S FOR GOOD

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

### DOMINO'S FOR GOOD IS AN ESSENTIAL PART OF OUR BUSINESS

**A SHARED RESPONSIBILITY OF LEADERSHIP, FRANCHISEES AND TEAM MEMBERS**

In FY22 we are focused on 4 main elements:

- Creating a (structural) measurement and reporting framework
- Ensuring compliance and risk management for crucial ESG topics
- Communicating and engaging with our stakeholders
- Ensuring we have a clearly articulated ESG vision and strategy, aligned with our core business

*Mission Positive 2030* captures key initiatives and helps us move our ESG ambition forward. Moreover, it will enable us to set measurable targets, which will be reportable and accountable to our communities

**OUR ESG PROGRAMME =** FOR GOOD

**OUR GOAL =**


**WE DO THE RIGHT THING, BECAUSE IT'S THE RIGHT THING TO DO**

# DOMINO'S FOR GOOD

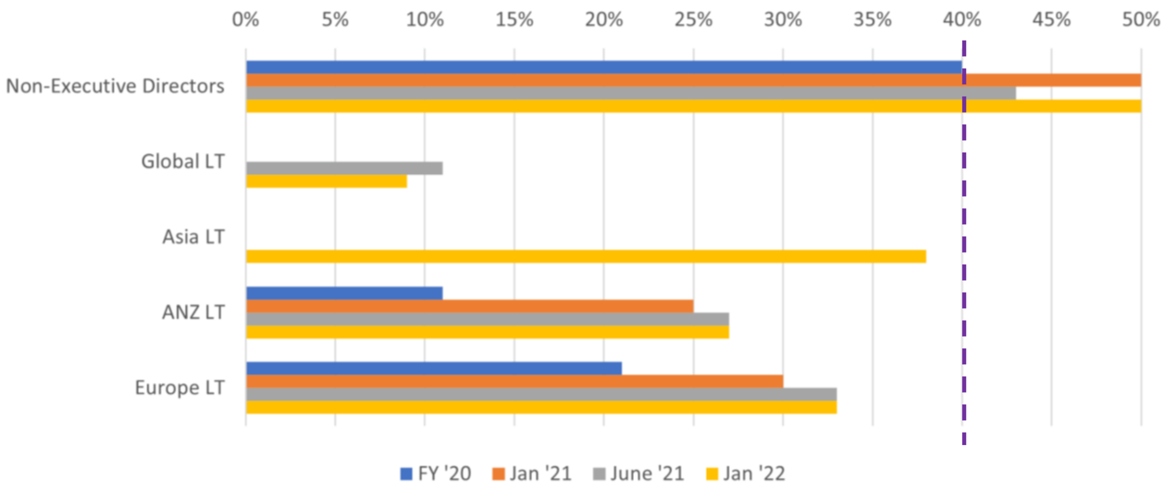
## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

**Domino's has completed major ESG milestones in H1 22:**

- Submitted our Business Ambition for 1.5°C commitment letter to the Science Based Target initiative
- Expanded our partnership with Compassion in World Farming, extending our Better Chicken Commitment from Europe to Australia and New Zealand – first in our market
- Delivered our second Modern Slavery Statement
- Completed our first Corporate Footprint Baseline measurement
- Developed our ESG vision based on stakeholder feedback
- Developed our internal Domino's for Good communications strategy and launched this globally
- Established an internal ESG/Domino's for Good Steering Committee which consists of key senior executives

**ESG updates are available at:** https://DominosForGood.dominos.com.au

### % FEMALE LEADERS – LEADERSHIP TEAM & NON-EXECUTIVE DIRECTORS




### EUROPEAN SUPPLY CHAIN CENTRE FLEET EMISSIONS (FY19 BENCHMARK)

| | 2019* | 2020 | 2021 |
|---|---|---|---|
| CO2 emissions | 3.61 tonnes CO2 per store | 3.41 tonnes CO2 per store | 3.52 tonnes CO2 per store |
| Number of stores serviced | 540 | 607 | 620 |
| KM travelled | 3,097,466 | 2,957,841 | 3,214,775 |
| CO2 kg per km | 0.7 | 0.7 | 0.68 |

*Benchmark

# OUTLOOK

# GROUP – LOOKING FORWARD

- **Domino's will navigate short-term challenges with our consistent long-term approach**
- Our stores, our customers and our communities are transitioning to 'Living with COVID' as the pandemic becomes endemic
- We aim to provide a seamless experience for our customers, however they order:

<u>Carry-out</u>

- Providing carry-out customers value and control over their ordering experience

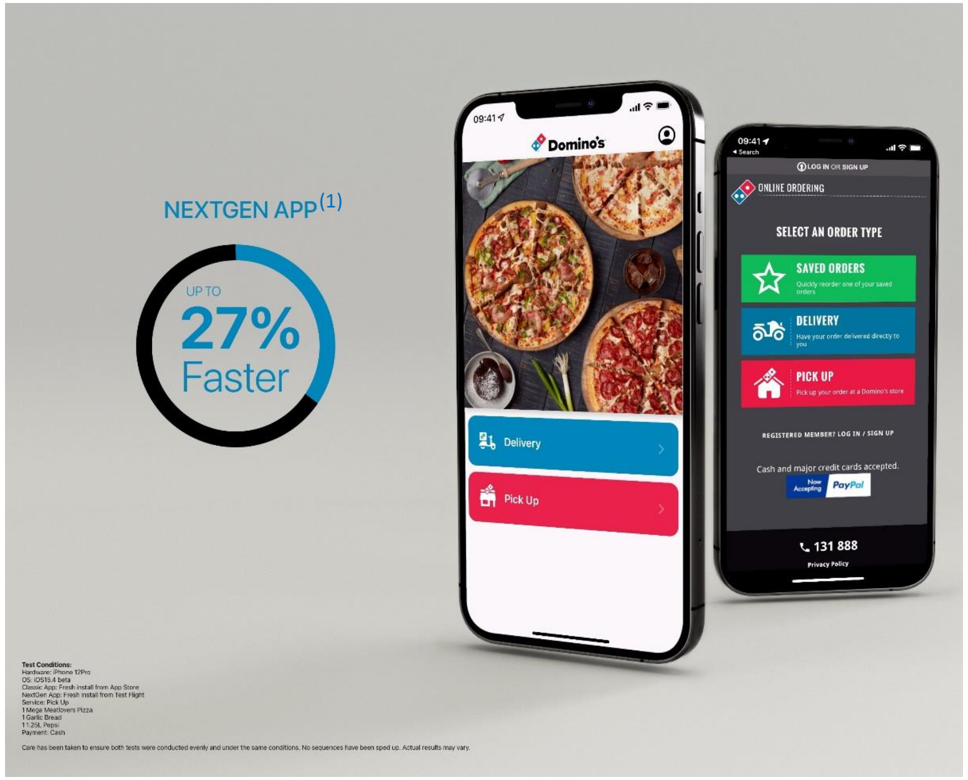
<u>DPE Digital Platforms</u>

- DPE will continue to leverage its global digital platform investment across all its markets
- Next generation website, and native application will launch in Q4, with both portals faster and easier to use than existing platforms, delivering a more rewarding, tailored, experience for each customer

<u>Aggregators</u>

- 3rd-party aggregators provide an opportunity for incremental sales: only Domino's team members deliver Domino's

**Next generation app, to launch in Q4**




1) Testing underway shows higher speed and customer conversion from these new digital platforms

# DELIVERING ON THE CUSTOMER VALUE EQUATION

## OUR CUSTOMER-FIRST APPROACH TO DELIVER ONGOING VALUE

- Domino's is focused on delivering great value to customers

$$\frac{\text{Product + Service + Image (PSI)}}{\text{Price}} = \text{Value}$$

- **Domino's chooses to respond to cost pressures with a customer-first approach**
  - **Balancing the value equation by giving "More for More"**
  - We have added menu options (bundles, sizing offerings and extra toppings) that are both a win for our customers and a win for store unit economics

    *e.g. the "Value Max" range in ANZ provides high quality favourites, extra toppings and value, whilst also delivering higher sales and margins to stores*

- Value is at the heart of High Volume Mentality: Increased sales and improved operational efficiencies delivers value for our franchisees and for our customers


"At Domino's we're not just aiming for customer satisfaction. We want to create customer devotion. A satisfied customer may come back again. But a devoted customer is a customer for life."

- Domino's Pizza Enterprises Ltd Purpose and Values

**DOMINO'S SEES AN OPPORTUNITY TO GROW SHARE BY PUTTING CUSTOMERS FIRST**

# THE FUTURE OF OUR INDUSTRY IS DELIVERY

### COVID-19 HAS BROUGHT FORWARD OUR FUTURE

- The market for delivered QSR and Immediacy Grocers is rapidly expanding – growing total demand and 'contract' labour market
- QSR competitors and grocers are facing the inherent challenges of delivery operations
- During this time, Domino's Pizza Enterprises has reduced delivery times across our markets
- Improved execution has grown more frequent cohorts
- **Domino's deliveries are only delivered by Domino's** team members – a key PSI advantage
- Domino's control every aspect of the value equation


## NOBODY DELIVERS LIKE DOMINO'S

# GROUP – LOOKING FORWARD

- The Age of Delivery is upon us: bringing the retail and restaurant industries significant opportunities over the medium- to long-term

- This opportunity will also present challenges: optimising delivery networks, technology and access to delivery experts where labour is in high demand

- **Domino's is well positioned:** delivering high quality jobs, training and careers – made possible through a relentless focus on efficiency: delivering More for More

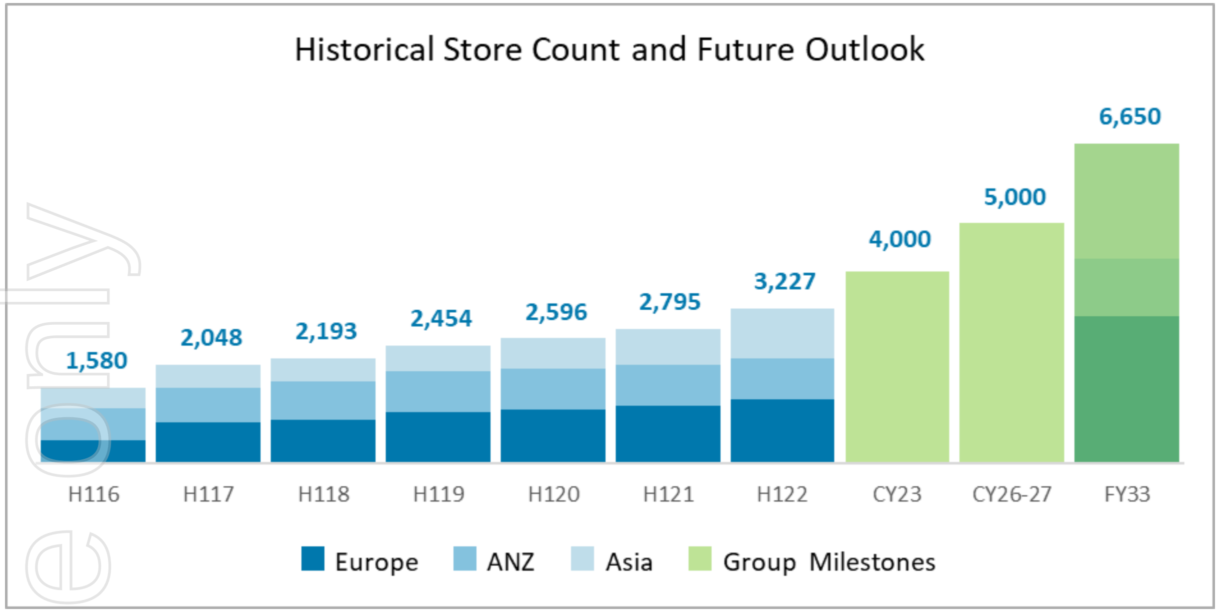
- The last mile of delivery is a significant barrier for unit economics and customer satisfaction: requiring more stores, closer to our customers

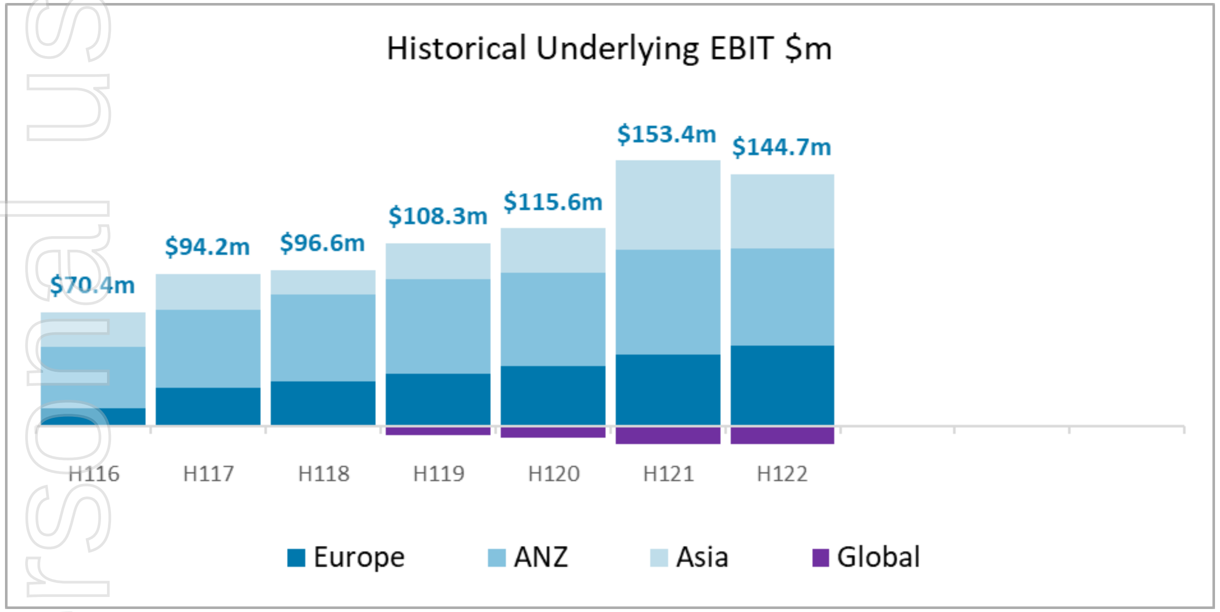
- Our unrivalled ability to provide opportunities for team members to become franchisees, through **a shared appetite for future growth,** is a strategic competitive advantage, growing talent and store network in the Age of Delivery

**FY22 WILL BE A RECORD YEAR FOR STORE EXPANSION: FORTRESSING DELIVERY TERRITORIES, EXPANDING TO NEW REGIONS AND THROUGH ACQUISITIONS**


1) See Appendices 12-14 for an in-depth outlook of our business

# GROUP - FUTURE OUTLOOK 2025-2033[1]




- **<u>Europe milestone 3,050 stores by 2033</u>**
  - Europe 2.3x current market size
- **<u>ANZ store target 1,200 by 2025-2028</u>**
  - ANZ 1.4x current market size
- **<u>Asia milestone 2,400 stores by 2033</u>**
  - Asia 2.3x current market size
- **<u>Group milestone 6,650 stores by 2033</u>**
  - Group 2.1x current market size
- Management remains active in pursuing suitable acquisitions, through its One Brand, One Focus strategy

1) See Appendix 15, which outlines the significant growth of our network over the last 10 years, combined with our Future Outlook

# 3-5 YEAR GROUP OUTLOOK

| | H1 21 Actual | H1 22 Actual | 3-5 Year Annual Outlook |
|---|---|---|---|
| **Same Store Sales Growth** | +8.5% | +2.8% | +3-6% |
| **New Organic Store Additions** | +131 stores | +129 stores | +9-12% of network |
| **Net CAPEX**[(1)] | $36.4m | $66.1m | $100-150m |

- Management Continues to deliver strong results in an uncertain environment
- New Organic Store Additions Outlook of 9-12% remains on-track, with **DPE expected to add +500 stores to its network** this Financial Year alone (including Taiwan acquisition)
- **Management continues to invest in its future, with Net CAPEX Outlook unchanged at $100-150m**, as we assist franchisees with store expansion and invest in future digital technologies and initiatives
- Management Outlook provides an illustration of our medium-term annual growth expectations, but does not constitute specific earnings guidance

1) Excluding capital expenditure relating to acquisitions

# COVID-19 - UPDATE

"Management is prepared for a medium-term future living with COVID-19; Domino's will rise to the challenge"
"In all regions, we intend to put people first, and grow market share"

**- Domino's Market Presentations:**
**August 2020, reprinted February 2021**

- During the initial stages of COVID-19: Domino's Pizza Enterprises chose to continue to invest in our future

- Our stores, our customers and our communities are transitioning to 'Living with COVID' as the pandemic becomes endemic:
  - Trading, especially in Europe and ANZ, includes ongoing store closures and reduced trading hours due to team members quarantining – these are unpredictable, but short-term
  - Multiple markets have recently experienced record case numbers, and communities are experiencing 'self-imposed lockdowns' as many consumers stay home and avoid gatherings
  - Despite the ongoing challenges – our long-term, partnership-based supply chains continue to deliver a full menu for our customers, and value for our franchisees, as they have throughout
  - Carry-out orders remain affected by ongoing changes to previously typical occasions, such as workplaces and universities
  - Delivery orders remain strong: COVID-19 has brought forward the 'Age of Delivery' and Domino's delivery experts are exceeding customers' expectations

**Our team members and our franchisees have risen to meet these extraordinary challenges**

# CONCLUSION - PERFORMANCE

- Positive SSS and Network Sales growth across the Group, despite the majority of markets rolling very high prior-year comparatives. Of particular note are excellent recent sales momentum in Australia, Benelux and Taiwan

- Short-term results reflect full and partial temporary store closures resulting from COVID-19, reinvestment in the ANZ franchisee base through Project Ignite, and a rebasing of Japan Network Sales and EBIT per store following lifting of State of Emergency

- 1-Year Same Store Sales Growth is likely to be slightly below our 3-5 Year Outlook, but note DPE is rolling exceptionally high 2- and 3-Year Growth figures, as a result of most recent years' out-performance

- **Domino's will navigate short-term challenges with our consistent long-term approach**

# CONCLUSION – OUTLOOK

- This year, the Network will expand by +500 stores, through both organic new store openings and the integration of Taiwan
- DPE opened our 3,000th store in H1 22, our 4,000th store is planned in Calendar Year 2023, and our 5,000th store is planned during Calendar Years 2026-27
- Our unrivalled ability to provide opportunities for team members to become franchisees, through **a shared appetite for future growth,** is a strategic competitive advantage, growing talent and store network in the Age of Delivery
- **Domino's continues to invest in long term growth through digital platforms, such as the next generation website, and native ordering application**, which will launch Q4. Both portals are significantly faster and easier to use than our existing platforms, delivering a more rewarding, tailored experience for each customer, with higher conversion rates
- **Management looks forward to another high-performance period ahead**

# Q&A

# APPENDICES

# APPENDIX 1 - INVESTOR RELATIONS CALENDAR

| | | |
|---|---|---|
| 1 March, 2022 | – | Ex-dividend date |
| 2 March, 2022 | – | Dividend record date |
| 17 March, 2022 | – | Dividend payment date |
| 24 August, 2022 | – | FY 22 Full Year results |
| 2 November, 2022 | – | DMP Annual General Meeting |

- The transcript of today's presentation will be added to our investor website: https://investors.dominos.com.au/presentations/2022/2/23/fy22-half-year-results

# APPENDIX 2 - NETWORK STORE COUNT

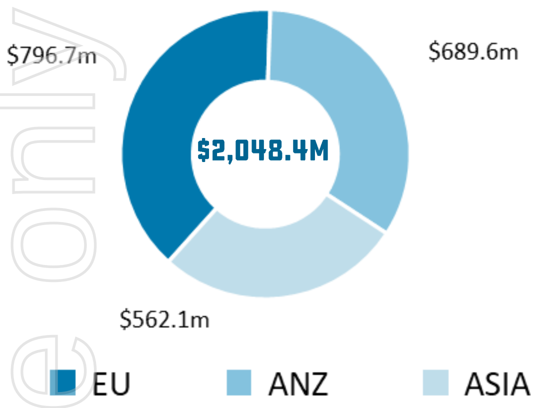
| | H1 20 | FY 20 | H1 21 | FY 21 | H1 22 |
|---|---|---|---|---|---|
| **European stores** | | | | | |
| Franchised stores | 1,042 | 1,060 | 1,105 | 1,174 | 1,198 |
| Corporate stores | 81 | 101 | 102 | 112 | 123 |
| **European Network Stores** | 1,123 | 1,161 | 1,207 | 1,286 | **1,321** |
| Net stores added in period | *26* | *64* | *46* | *125* | *35* |
| **ANZ stores** | | | | | |
| Franchised stores | 713 | 714 | 736 | 763 | 782 |
| Corporate stores | 118 | 119 | 110 | 100 | 81 |
| **ANZ Network Stores** | 831 | 833 | 846 | 863 | **863** |
| Net stores added in period | *6* | *8* | *13* | *30* | *0* |
| **Asia stores** | | | | | |
| Franchised stores | 275 | 308 | 357 | 407 | 597 |
| Corporate stores | 367 | 366 | 385 | 393 | 446 |
| **Asia Network Stores** | 642 | 674 | 742 | 800 | **1,043** |
| Net stores added in period | *42* | *74* | *68* | *126* | *243* |
| **Consolidated number of stores** | | | | | |
| Franchised stores | 2,030 | 2,082 | 2,198 | 2,344 | 2,577 |
| Corporate stores | 566 | 586 | 597 | 605 | 650 |
| **Total Network Stores** | 2,596 | 2,668 | 2,795 | 2,949 | **3,227** |
| *Corporate store %* | *21.8%* | *22.0%* | *21.4%* | *20.5%* | *20.1%* |
| Net stores added in period | *74* | *146* | *127* | *281* | *278* |
| Europe as % of total stores | 43.3% | 43.5% | 43.2% | 43.6% | 40.9% |
| Asia as % of total stores | 24.7% | 25.3% | 26.5% | 27.1% | 32.3% |
| ANZ as % of Total Stores | 32.0% | 31.2% | 30.3% | 29.3% | 26.7% |

- Group: +278 net stores added during the period (+285 new store openings, -7 closures)
- Europe: +39 new store additions, with -4 planned store closures (planned closures relating to the consolidation of Sprint stores in France)
- ANZ: +3 new store additions, with -3 store closures, relating to low-trading stores
- Asia: +87 new store additions, with +156 acquired stores relating to Taiwan

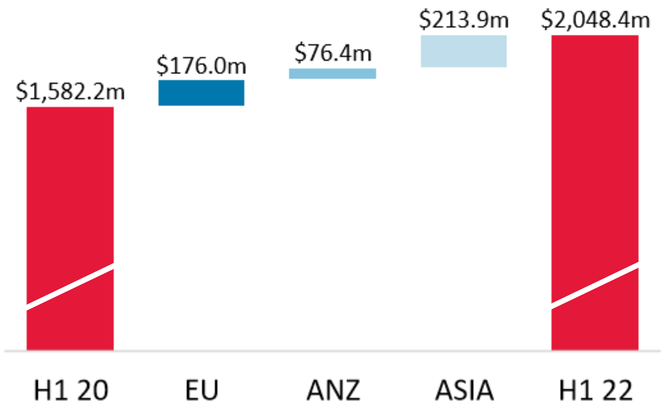
# APPENDIX 3 - GROUP 2-YEAR PERIOD PERFORMANCE DASHBOARD

## NETWORK SALES

### H122 NETWORK SALES

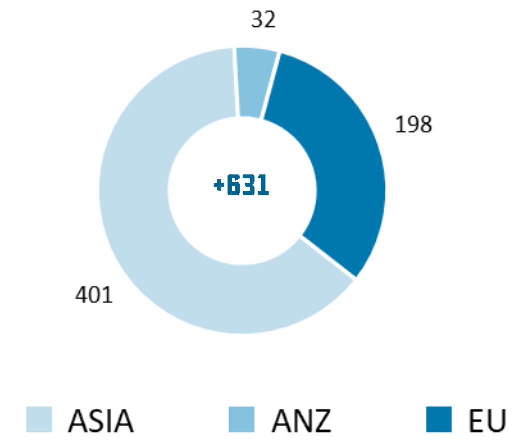



### H122 NETWORK SALES GROWTH

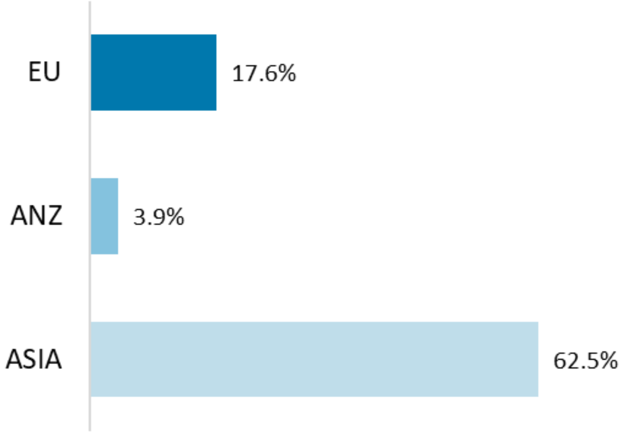



## STORE NETWORK ADDITIONS

### 2-YEAR PERIOD STORE ADDITIONS

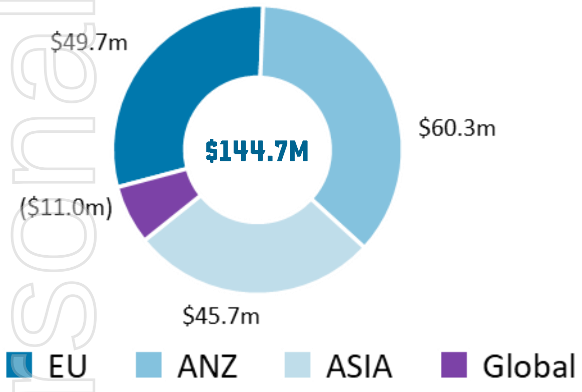



### 2-YEAR PERIOD NET STORE GROWTH

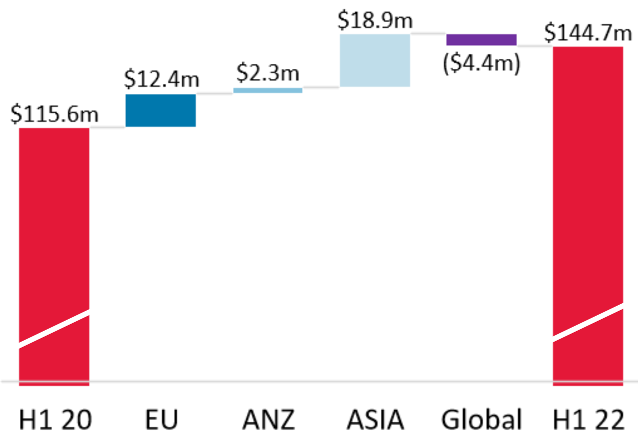



## UNDERLYING EBIT[1]

### H122 EBIT

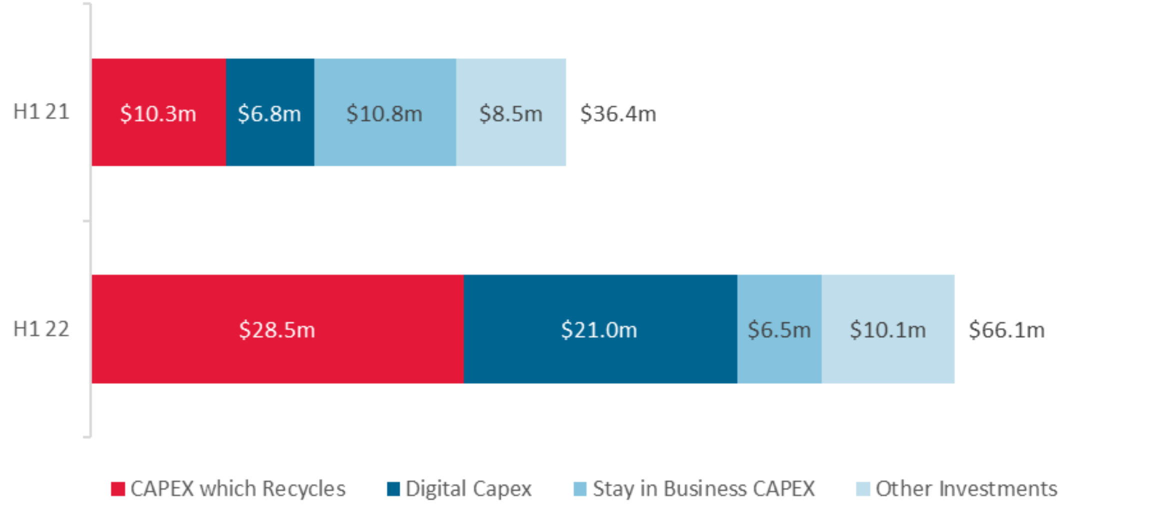



### H122 EBIT GROWTH




1) Underlying EBIT, excluding significant charges

## NET CAPEX (INVESTING ACTIVITIES)



# APPENDIX 4 - GROUP - P&L HIGHLIGHTS

| | H1 20 Underlying | H1 21 Underlying | H1 22 Underlying | +/(-) H121 Underlying[1] |
|---|---|---|---|---|
| | $ mil | $ mil | **$ mil** | % |
| **Network Sales** | **1,582.2** | **1,843.0** | **2,048.4** | **11.1%** |
| Revenue | 905.8 | 1,095.1 | 1,206.6 | 10.2% |
| **EBITDA** | **176.7** | **218.2** | **212.8** | **(2.5%)** |
| Depreciation & Amortisation | (61.0) | (64.7) | (68.0) | (5.1%) |
| **EBIT** | **115.6** | **153.4** | **144.7** | **(5.7%)** |
| *EBIT Margin* | *12.8%* | *14.0%* | *12.0%* | |
| Interest | (7.3) | (7.2) | (6.7) | 7.1% |
| **NPBT** | **108.3** | **146.2** | **138.1** | **(5.6%)** |
| Tax Expense | (33.3) | (45.1) | (41.8) | 7.2% |
| **NPAT before Minority Interest** | **74.9** | **101.2** | **96.2** | **(4.9%)** |
| Minority Interest | (2.5) | (4.7) | (4.9) | (4.3%) |
| **NPAT** | **72.4** | **96.4** | **91.3** | **(5.3%)** |
| *Performance Indicators* | | | | |
| EPS (basic) | 84.3 cps | 111.4 cps | **105.5 cps** | (5.3%) |
| Dividend per Share | 66.7 cps | 88.4 cps | **88.4 cps** | |
| Europe average FX | 0.62 | 0.61 | 0.63 | |
| New Zealand average FX | 1.06 | 1.07 | 1.05 | |
| Asia average FX | 73.92 | 75.99 | 81.92 | |

## H1 21 Analysis vs. Prior Half

- Network Sales +$205.4m (+14.8% in constant currency)
- EBIT -$8.7m, (-2.4% in constant currency);
- Underlying NPAT growth -$5.1m (Statutory growth -$6.6m)
- EPS growth -5.3%
- Half-year dividend in line with prior year (70% franked)

1) H1 22 underlying compared to H1 21 underlying, excluding significant charges - see Appendices 5 & 6 for further details

# APPENDIX 5 - STATUTORY TO UNDERLYING RECONCILIATION

| | H121 Statutory | H121 Significant Charges | H121 Underlying | H122 Statutory | H122 Significant Charges | H122 Underlying | +/(-) H121 Underlying |
|---|---|---|---|---|---|---|---|
| | $ mil | $ mil | $ mil | $ mil | $ mil | $ mil | % |
| **Network Sales** | **1,843.0** | | **1,843.0** | **2,048.4** | | **2,048.4** | **11.1%** |
| Revenue | 1,095.1 | | 1,095.1 | 1,206.6 | | 1,206.6 | 10.2% |
| **EBITDA** | **217.1** | **1.0** | **218.2** | **209.7** | **3.1** | **212.8** | **(2.5%)** |
| Depreciation & Amortisation | (64.7) | | (64.7) | (68.0) | | (68.0) | (5.1%) |
| **EBIT** | **152.4** | **1.0** | **153.4** | **141.6** | **3.1** | **144.7** | **(5.7%)** |
| *EBIT Margin* | *13.9%* | | *14.0%* | *11.7%* | | *12.0%* | |
| Interest | (7.2) | | (7.2) | (6.7) | | (6.7) | 7.1% |
| **NPBT** | **145.2** | **1.0** | **146.2** | **135.0** | **3.1** | **138.1** | **(5.6%)** |
| Tax Expense | (44.8) | (0.3) | (45.1) | (40.9) | (0.9) | (41.8) | 7.2% |
| **NPAT before Minority Interest** | **100.4** | **0.7** | **101.2** | **94.1** | **2.2** | **96.2** | **(4.9%)** |
| Minority Interest | (4.7) | 0.0 | (4.7) | (4.9) | 0.0 | (4.9) | (4.3%) |
| **NPAT** | **95.7** | **0.7** | **96.4** | **89.1** | **2.2** | **91.3** | **(5.3%)** |
| *Performance Indicators* | | | | | | | |
| EPS (basic) | 110.7 cps | 0.7 cps | **111.4 cps** | 103.0 cps | 2.5 cps | **105.5 cps** | (5.3%) |
| Dividend per Share | 88.4 cps | | **88.4 cps** | 88.4 cps | | **88.4 cps** | |

1) H1 22 underlying compared to H1 21 underlying, excluding significant charges. Note H1 21 Statutory and Underlying figures have been re-stated, as a result of implementing an IFRIC agenda decision relating to configuration and customisation costs incurred in the implementation of Software as a Service (SAAS) cloud technologies – see note 13 in Appendix 4D for further details

# APPENDIX 6 - LITIGATION UPDATE

**CLASS ACTION**

- The Company rejects the allegations and has been defending the action vigorously
- The matter has been listed for trial in November 2022, with mediation to occur by May 2022
- The statement of claim does not quantify any loss by the lead applicant or the alleged group
- Accordingly, the Company remains unable to determine any potential obligation or financial impact arising from the alleged damages claimed in the proceeding

**SPEED RABBIT PIZZA**

- Domino's Pizza France is involved in various separate proceedings:
  - In the main claim, after winning at first instance and in the Court of Appeal, in January 2020 the Cour de Cassation set aside parts of the Court of Appeal's decision. The matter has been referred back to the Court of Appeal and was heard in January 2022. A decision is expected in March 2022
  - In other proceedings, the Court has ruled in favour of DPF at first instance and those decisions are in various stages of appeal
  - In one final proceeding the matter has yet to be heard at first instance. DPF denies liability and is committed to defending all claims

**PIZZA SPRINT**

- Multiple separate proceedings have been brought in relation to matters which occurred before the Company's ownership of the France market:
  - In one proceeding brought by the French Ministry for the Economy and Finance, the Court ruled in favour of DPF. The decision was appealed by the Ministry and in January 2022 the Court of Appeal ruled in favour of the Ministry, imposing a €500k fine, €60k to six former Sprint franchisees and €20k in procedural costs. DPF is appealing the decision in the Cour de Cassation
  - In other proceedings brought by former franchisees, DPF was ordered to pay a total of €3 million at first instance. DPF is appealing these decisions. The appeals are not expected to be heard before September 2022

# APPENDIX 7 - FINANCIAL RATIOS

| Return on Equity | H1 21 Underlying | FY21 Underlying | H1 22 Underlying |
|---|---|---|---|
| | $ mil | $ mil | $ mil |
| **12 Month Rolling NPAT (Before Minority Interest)** | **177.6** | **197.9** | **193.2** |
| **Shareholders equity[1]** | **400.3** | **401.1** | **402.8** |
| **ROE** | **44.4%** | **49.3%** | **48.0%** |

## Summary

- ROE remains strong, due to continued, robust, profits

1) Shareholder equity is based on the average balance during respective periods

| Return on Capital Employed | H1 21 Underlying | FY21 Underlying | H1 22 Underlying |
|---|---|---|---|
| | $ mil | $ mil | $ mil |
| **12 Month Rolling EBIT** | **268.2** | **293.7** | **285.0** |
| Total Assets | 2,452.4 | 2,393.1 | 2,415.4 |
| Less: Investment in Lease Assets | (392.2) | (404.9) | (417.1) |
| **Total Assets (Net of Investment in Lease Assets)** | **2,060.3** | **1,988.2** | **1,998.2** |
| Trade and other payables | (334.9) | (349.8) | (345.6) |
| Other financial liabilities | (23.9) | (27.9) | (29.3) |
| Current tax liabilities | (23.3) | (28.3) | (28.2) |
| Provisions | (13.5) | (14.1) | (14.5) |
| Contract liabilities | (3.0) | (3.1) | (3.1) |
| **Less: Current Liabilities** | **(398.6)** | **(423.2)** | **(420.6)** |
| **Capital Employed[1]** | **1,661.6** | **1,565.0** | **1,577.6** |
| **ROCE** | **16.1%** | **18.8%** | **18.1%** |

## Summary

- **ROCE increases**, due to strong EBIT, whilst DPE continues to invest in our international markets and Corporate stores
- Excluding Put/Call Option $172.1m

1) Balance Sheet figures are based on the average balance during respective periods

# APPENDIX 8 - FINANCIAL RATIOS CONTINUED

| Cash Conversion | H1 21 Underlying | FY21 Underlying | H1 22 Underlying |
|---|---|---|---|
| | $ mil | $ mil | $ mil |
| **Operating cash flow before interest & tax** | **195.1** | **449.1** | **140.0** |
| **EBITDA** | **218.2** | **423.7** | **212.8** |
| **Cash conversion** | **89.4%** | **106.0%** | **65.8%** |

## Summary

- **Cash Conversion declines**, primarily due to adverse working capital position resulting from additional trading week in H1 and resultant timing of Financial Half-Year close

| Movement in Working Capital | H1 21 | FY21 | H1 22 |
|---|---|---|---|
| | $ mil | $ mil | $ mil |
| Trade and other receivables | (33.9) | 0.8 | (5.9) |
| Trade and other payables | 33.2 | 43.8 | (29.2) |
| Inventories | (13.3) | (2.4) | (15.4) |
| Other current assets | 2.3 | (0.0) | (6.6) |
| **Total Change in Working Capital** | **(11.7)** | **42.1** | **(57.2)** |

## Summary

- H1 22 regional Working Capital position outlined below:
  - ANZ Working Capital Increased +$1.5m
  - Asia Working Capital Increased -$45.2m
  - Europe Working Capital Increased -$13.5m
- H1 22 Working Capital headwind primarily due to timing of financial close period, as a result of FY22 being a 53-week year, as outlined at the FY21 presentation

# APPENDIX 9 - BANKING COVENANT RATIOS

| Interest Coverage | H1 21 Underlying Pre AASB16 | FY21 Underlying Pre AASB16 | H1 22 Underlying Pre AASB16 |
|---|---|---|---|
| | $ mil | $ mil | $ mil |
| **12 Month Rolling EBITDA (ex AASB16)** | **342.3** | **368.4** | **362.6** |
| **12 Month Rolling Interest (ex AASB16)** | **(11.8)** | **(10.7)** | **(10.0)** |
| **Interest Coverage (multiple)** | **29.1x** | **34.5x** | **36.3x** |
| **Banking Covenant** | | | **> 3.0x** |

## Summary

- **Interest Coverage Ratio increases**, due to robust EBITDA, coupled with low interest-bearing debt

| Net Debt | H1 21 Underlying Pre AASB 16 | FY21 Underlying Pre AASB 16 | H1 22 Underlying Pre AASB 16 |
|---|---|---|---|
| | $ mil | $ mil | $ mil |
| Non-current borrowings | 561.2 | 520.5 | 608.0 |
| Plus: Current borrowings | 21.5 | 6.0 | 6.5 |
| Plus: Capitalised borrowing costs | 1.5 | 1.1 | 4.6 |
| Less: DPG MI borrowings | (30.2) | (24.4) | (20.3) |
| Less: Cash and cash equivalents | (177.3) | (174.7) | (107.6) |
| **Net Debt** | **376.7** | **328.6** | **491.2** |
| **12 Month Rolling EBITDA (ex AASB16)** | **342.3** | **368.4** | **362.6** |
| **Net Leverage Ratio (x)** | **1.1x** | **0.9x** | **1.4x** |
| **Banking Covenant** | | | **< 3.0x** |

## Summary

- **Net Debt increases by $162.6m** vs. FY21, as a result of the Taiwan acquisition and adverse working capital position, from additional trading week
- **Net Leverage ratio increases**, primarily as a result of an increase in net debt (above)
- Note the following acquisition payments are anticipated in future periods:
  - Germany MI, potential acquisition payment of circa $172.1m (call option available from January 2023)

# APPENDIX 10 – JAPAN: A STRONGER BASE FOR ONGOING GROWTH

## OVER THE PAST THREE YEARS DOMINO'S HAS BUILT A MATERIALLY LARGER AND MORE RESILIENT BUSINESS – PRIMED FOR FUTURE GROWTH

| Investor visit April 2019 | H1 22 |
|---|---|
| 550 stores | 882 stores |
| 43% franchised | 52% franchised |
| 44 weeks on TV | 52 weeks on TV (3 layers) |
| 36 prefectures | 47 prefectures (100%) |
| 200-400 GRP[1] | 400+ GRP[1] every week |
| 24.1% of Group[2] | 31.6% of Group[3] |

- Expansion through fortressing and greenfield locations has multiplied marketing & technology investment, and brand presence
- Increased footprint allows for larger share of voice in the QSR category
- Deliberate approach to expanding our customer base from a holiday/special occasion offering whilst growing frequency
  - Expanding delivery through initiatives including "No minimum delivery"
  - Replaced BOGO layer with half price carry-out
  - Adjusted menu and pricing, expanding reach to 'meal as a task' and family customers
- Strategic freight and ingredient changes (including 'back of house' dough) to reach previously inaccessible prefectures

**FRANCHISEES ARE INVESTING IN OUR STRATEGY: JAPAN WILL OPEN ITS 900TH STORE IN FY22, AND ITS 1,000TH STORE IN FY23**

1) GRP = Gross Rating Point
2) Japan Underlying EBIT as at FY19
3) Asia Underlying EBIT as at H1 22, including Taiwan from September 2021

# APPENDIX 11 – ANZ: NEW CEO ASSESSMENT

## ANZ CEO DAVID BURNESS ASSESSMENT: A HIGH-QUALITY BUSINESS WITH A PROVEN STRATEGY

- ✓ We help people grow and prosper:
  - ✓ High quality franchisees
  - ✓ Significant opportunities for new managers to develop into franchising
  - ✓ Multi-unit owners expanding their operations, including the next generation
- ✓ We do the right thing, because it's the right thing to do: stores give to those in need
- ✓ We crush convention: a business built for delivery – the future of our industry
- ✓ Positive sales in H2, including record December, delivered strong franchisee profits

We are a business of continuous improvement – there is always more to do

- Continued improvement in the franchisee base
- Fortressing – particularly in opportunity markets of Victoria and New South Wales
- Franchisee profitability – maximising every store's opportunity in their market
- Execution – ensuring every meal delivers for our franchisee and our customers

**ANZ CEO David Burness**

Hear more from David at:
https://investors.dominos.com.au/videos

# APPENDIX 12 – ASIA: LOOKING FORWARD

**Japan**

- Trading conditions continue to be challenging – H2 prior comparable same-store sales were +11.4% and the government has recently implemented ‘quasi state of emergency’ in 34 of 47 prefectures

Domino’s Japan has built a stronger, more sustainable business, and will continue this success

- Growing our business with more stores, reaching more customers, on more occasions
- The local customer mindset has changed positively towards delivered food
- Family occasions and ‘meal as a task’ remain significant opportunities for Domino’s to grow

**Taiwan**

- We will invest in Calendar Year 2022, including applying DPE’s OneDigital online platform, and the global Pulse POS system
- Taiwan will leverage expertise from Japan and other markets, including marketing and creative assets
- Management will apply High Volume Mentality, removing roadblocks to resource a much larger store footprint
- A strong year of store openings is planned – Taiwan benefits from a significantly lower store build cost

# APPENDIX 13 – EUROPE: LOOKING FORWARD

- Further easing of societal restrictions is anticipated – Denmark has recently lifted all measures

- Despite this easing, ongoing changes to customer behaviour and operations is expected as individuals seek to reduce their COVID-19 risk (e.g. working from home)

- Plans to negate inflation are resonating with customers, vs. competitors lifting prices

- **Germany:** cycling significant same store sales growth in H2
- **Benelux:** focused on building delivery whilst removing customer tensions for carry-out
- **France:** Building delivery, incl. first TV campaign, and returning carry-out customers
- **Denmark:** Expanding into regions with customers with higher brand perception

- Carry-out: Targeting ‘control-focused customers’ through investments including carry-out lockers and in-store kiosks

- Delivery: Europe is at the forefront of the Age Of Delivery – including new fast grocery entrants – growing the category and increasing demand for drivers/riders

- Europe will set a new record for store openings in FY22

**DOMINO’S WILL CONTINUE TO GROW OUR BUSINESS THROUGH THIS ONGOING UNCERTAINTY**

# APPENDIX 14 – ANZ: LOOKING FORWARD

- The likelihood of further societal restrictions is reduced, however the return of customers to offices and universities is still uncertain

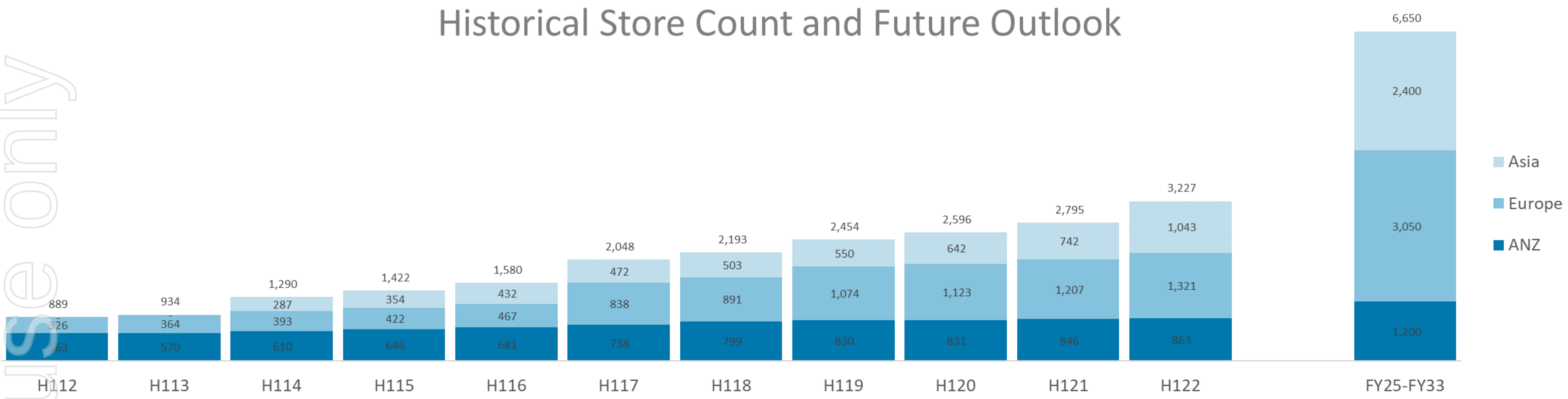
- Digital delivery growth will continue to power our future
  - Investing in roll-out of new app: bringing new customers to our platform and providing the most rewarding experience
  - Growing sales within aggregators: these present an enormous opportunity to reach customers ready to order
  - We will ‘play to win’ these customers, regardless of their preferred platform

- Existing franchisees and store managers are primed for expansion. Domino’s will invest in training through our Path to Excellence program, providing the best opportunity for success

- Growing delivery demand and improving unit economics, requires increased store penetration

- **Domino’s intends to increase the cadence of store openings vs recent years**

# APPENDIX 15 – GROUP: FUTURE OUTLOOK, MILESTONES & TARGETS




- Management foresees significant upside, beyond 2033, in our existing businesses, particularly Europe and Asia, and is resourcing this through investment in our internal Development teams, facilitating franchisee expansion
- <u>**Note our milestones do not represent fully penetrated targets for these markets**</u>

# APPENDIX 16 - NETWORK & SAME STORE SALES CALCULATION

- **Same Store Sales are calculated weekly, measured in local currency**
  - Same Store Sales is the process of comparing year-on-year growth of existing, mature, stores
  - Stores are included after two years of trading (either two years of DPE, or one year pre-acquisition plus one year of DPE)
  - Where a delivery territory is fortressed by the opening of a new store, both the existing and new store(s) are excluded until two years of like-for-like trading data is collected
  - During COVID-19 – stores that were closed for greater than a week are not included in Same Store Sales calculations for the period of their closure
  - The above provides a normalised estimate of performance from a like-for-like group of stores that continued to trade at a point in time
- **Network Sales are calculated in both local currency and AUD**
  - Network Sales growth includes sales for all stores
  - Stores are included from the first day of trading
  - Where a delivery territory is fortressed, the Network Sales from both stores are included at all times
  - During COVID-19 – closed stores have zero Network Sales

## DPE HAS TAKEN A CONSISTENT APPROACH TO MEASURING SSS AND NETWORK SALES GROWTH SINCE LISTING

# DISCLAIMER AND IMPORTANT INFORMATION

- Domino’s Pizza Enterprises Limited (Domino’s) advises that the information in this presentation contains forward looking statements which may be subject to significant uncertainties outside of Domino’s control
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- Actual future events may vary from these forecasts and you are advised not to place undue reliance on any forward looking statement
- A number of figures in the tables and charts in this presentation pack have been rounded to one decimal place. Percentages (%) and variances have been calculated on actual figures

## Statutory Profit and Underlying Profit:

- Statutory profit is prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards (AASB), which comply with International Financial Reporting Standards (IFRS)
- Underlying profit is the Statutory profit contained in Appendix 4D of the Domino’s Financial Report, adjusted for significant items specific to the period. Comparisons to prior periods in financial statements are generally made on an underlying basis, rather than statutory. Where highlighted in this document, Statutory results have been adjusted for significant items (as shown in previous Market Presentations)
- Underlying Profit after tax is reported to give information to shareholders that provides a greater understanding of the performance of the Company's operations. DPE believes Underlying Profit after tax is useful as it removes significant items thereby facilitating a more representative comparison of financial performance between financial periods. Underlying Profit is a non-IFRS measure which is not subject to audit or review