



Domino's Pizza Enterprises Limited
1/485 Kingsford Smith Drive
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4 November, 2020

Domino's Annual General Meeting and Trading update Network Sales +14.9% (SSS +8.4%) and 74 new stores opened

Domino's Pizza Enterprises Ltd (ASX:DMP) has issued a trading update at its Annual General Meeting today, with Network Sales increasing 14.9% on the prior year (+8.4% on a Same Store basis), and 74 new stores opened.

Group CEO and Managing Director Don Meij, speaking at the Company's online Annual General Meeting, said a people-first approach to navigating COVID-19 had ensured Domino's stores had emerged from the pandemic's first stages in a resilient position.

In the past Financial Year, Domino's Pizza Enterprises Ltd had:

- Network sales of \$3,267.9m, up 12.8%¹
- Online sales of \$2,357.0m, up 21.4%¹
- EBITDA² of \$303.0m (+7.3%¹) on revenue of \$1,920.4m (+33.8%¹)
- 13,000 additional team members employed
- Donated more than 220,000 hot, fresh meals to those in need or working on the frontline
- 100% stability, with no franchisees leaving the system due to COVID-19.

"Throughout COVID-19 we have invested in safety and put people first; our team members, franchisees, customers and communities," Mr Meij said.

"These same principles that allowed us to serve our communities through COVID-19 so far, will be the same that will ensure our continued performance regardless of how long this pandemic continues.

"In the early stages of this pandemic, I advised Domino's would rely as little as possible on any government support – accordingly, despite being eligible in one of our subsidiaries, Domino's Pizza Enterprises Ltd will not accept JobKeeper or JobMaker support in FY21 in our corporate stores or head office.³

"Even without assistance, we intend to invest in our people and to hire new team members in all markets; as we grow our network and sales."

In the 2020 Financial Year⁴, Domino's Pizza Enterprises Ltd markets reached significant milestones: the 400th store in France, the 300th Domino's branded store in Germany, the 300th store in the Netherlands and the 100th store in Belgium. Domino's recently opened the 700th store in Japan.

Mr Meij said Domino's fortressing strategy, of opening more stores, closer to customers, had been key to continued trading during COVID-19: "As customers in all countries turned

¹ Increase on the prior corresponding period

² EBITDA – underlying basis

³ Franchised stores may apply for government support, in addition to DMP support, if eligible

⁴ FY20 ending June 28, 2020



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increasingly to delivered meals, ordered online, Domino's stores were well placed to meet this demand, without sacrificing safety, customer satisfaction or store profitability.

Outlook and trading update

"We intend to continue to grow to meet this demand, with our expectations for new store openings of seven to nine per cent of our Group annually, and Same Store Sales at three to six per cent."

As outlined at the Full Year results in August, Japan and Germany continue to outperform, due to local virus conditions and the assertive actions of management, while other markets reflect local virus levels and social restrictions.

"These are very positive results in conditions that remain challenging for our communities. Our Same Store Sales have decelerated from an even stronger update at the Full Year, largely because – as expected – sales growth across our Group is now more normalised than at the initial peaks: in all regions above our medium-term outlook.

"We are pleased with our progress already this Financial Year against those expectations; we have opened 76 per cent more stores than this time last year, our Same Store Sales are more than double where they were at the same time, and franchisee profitability is at record levels in multiple countries.

"The heart of our business remains the same: a high-quality meal, delivered safely and fast, at an affordable price, increasingly ordered and delivered online.

"With an increasing number of cases of COVID-19, particularly in Europe, we recognise that continued trading during this pandemic is a privilege, not a right – we will do everything we can to continue to serve."

Environmental, Social, Governance

One of Domino's values is "do the right thing, because it's the right thing to do": We have expanded our ongoing and long-term charity giving programs in Australia and Europe, and added a new pillar in Japan; Feed the Need. More than 220,000 hot, fresh meals were donated to those in need in the past Financial Year.

Domino's today announced new targets as part of its growing Environmental, Social and Governance (ESG) program, which will be reflected in all nine countries.

- By 2030, Domino's intends to reach gender diversity at the Board, Global Leadership and Country Leadership levels: with at least 40 per cent female representation. Every person in their role, regardless of gender, has earned it by their talent, and their hard work. That is not going to change;
- Domino's will reduce the emissions of the European Supply Chain Centre fleet by 20% by 2025⁵; and,
- By 2030, Domino's intends for the electricity supply to all stores to be carbon neutral.

⁵ Compared to 2019 baseline. The European Supply Chain Centre fleet includes trucks delivering dough, food supplies and packaging to our stores in France and the Benelux.



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“Domino's is committed to doing the right thing, because it's the right thing to do – we work best when we have ambitious goals to aim for, and ESG will be no different.

“These goals are the next step, not the final step, and we look forward to providing updates on our progress on these and other ESG initiatives that are important to our future.”

The Company paid shareholders a final dividend of 52.6 cents per share (100% franked). The full year dividend of 119.3 cents per share was +3.3% on the prior year.

This release has been authorised for release by Group CEO & Managing Director, Don Meij.

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For further information, contact Nathan Scholz, Head of Investor Relations at investor.relations@dominos.com.au or on +614 1924 3517.

Domino's Pizza Enterprises Limited (DMP) is Domino's largest franchisee outside of the USA. It holds the master franchise rights to the Domino's brand and network in Australia, New Zealand, Belgium, France, The Netherlands, Japan, Germany, Luxembourg and Denmark. Today, DMP has a network of more than 2,700 stores. For more information, visit www.dominosinvestors.com.au

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