Domino's Pizza Enterprises Limited
1/485 Kingsford Smith Drive
Hamilton, QLD, Australia 4007
ACN: 010 489 326
www.dominos.com.au

23 August 2023

The Manager

Market Announcements Office

Australian Securities Exchange

4th Floor, 20 Bridge Street

SYDNEY NSW 2000

Dear Sir

Appendix 4E and financial statements for the year ended 02 July 2023

Please find attached for immediate release to the market the following documents in respect of the year ended 02 July 2023:

(a) Appendix 4E
(b) 2023 Annual Report

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

Appendix 4E

DOMINO'S PIZZA ENTERPRISES LIMITED

Current Reporting Period:	Financial Year Ended 02 July 2023
Previous Corresponding Period:	Financial Year Ended 03 July 2022

SECTION A: RESULTS FOR ANNOUNCEMENT TO THE MARKET

		PERCENTAGE CHANGE %		AMOUNT $'MILLION
Revenue and net profit				
Revenue from ordinary activities	Up	3.5%	to	2,351.5
Profit from ordinary activities after tax from continuing operations	Down	60.5%	to	69.0
Profit from ordinary activities after tax attributable to members	Down	74.4%	to	40.6
Net profit attributable to members	Down	74.4%	to	40.6

Dividends

	AMOUNT PER SECURITY (CENTS)	FRANKED PERCENTAGE PER SECURITY
Dividends		
Final dividend in respect of full year ended 02 July 2023 Payable 28 September 2023	42.6	Nil
Record date for determining entitlements to the final dividend:		
29 August 2023		
Interim dividend in respect of half-year ended 02 January 2023	67.4	60%

	02 JULY 2023	03 JULY 2022
Net tangible assets per security		
Net tangible assets per security	**(7.52)**	(5.94)

SECTION B: COMMENTARY ON RESULTS

Brief explanation of revenue, net profit and dividends (distributions)

For comments on trading performance during the year, refer to the media release.

The final unfranked dividend of 42.6 cents per share was approved by the Board of Directors on 23 August 2023. In complying with accounting standards, as the dividend was not approved prior to period end, no provision has been taken up for this dividend in the full year financial statements.

ADDITIONAL INFORMATION

This report is based on accounts which have been audited. The audit report, which was unqualified, is included within the Annual Financial Report which accompanies this Appendix 4E. Additional Appendix 4E disclosure requirements can be found in the Annual Financial Report.

Domino's®

ANNUAL REPORT 2023

DOMINO'S PIZZA ENTERPRISES LIMITED

WELCOME

to the Domino's Pizza Enterprises Ltd Annual Report for 2022–23

We are an Australian-headquartered company of pizza people. In 2022/23, we owned the master franchise for Domino's in Australia, New Zealand, Belgium, France, the Netherlands, Japan, Germany, Luxembourg, Denmark, Cambodia, Taiwan, Malaysia and Singapore.

We are Domino's Pizza Enterprises Ltd (DPE), and this is our story for the 2022–23 financial year.

ACKNOWLEDGEMENTS
EDITORIAL 2023
Annemieke de Bruijin (Netherlands)
Will Chiou (Taiwan)
Chrissie Robyn Chong (Malaysia)
Guillemette Le Goascoz (France)
Jacqueline Hanekom
Amanda Harper (ANZ)
Mila Hvilshøj (Denmark)
Charlotte Lee (Taiwan)
Koh Qing Ning (Cambodia)
Kathrin Rezac (Germany)
Manon Stoutjesdijk (Belgium & Luxembourg)
Shizue Suzuki (Japan)
Ida Azreena Binti Zainol (Singapore)

Designer
Jessie Sanders (Netherlands)

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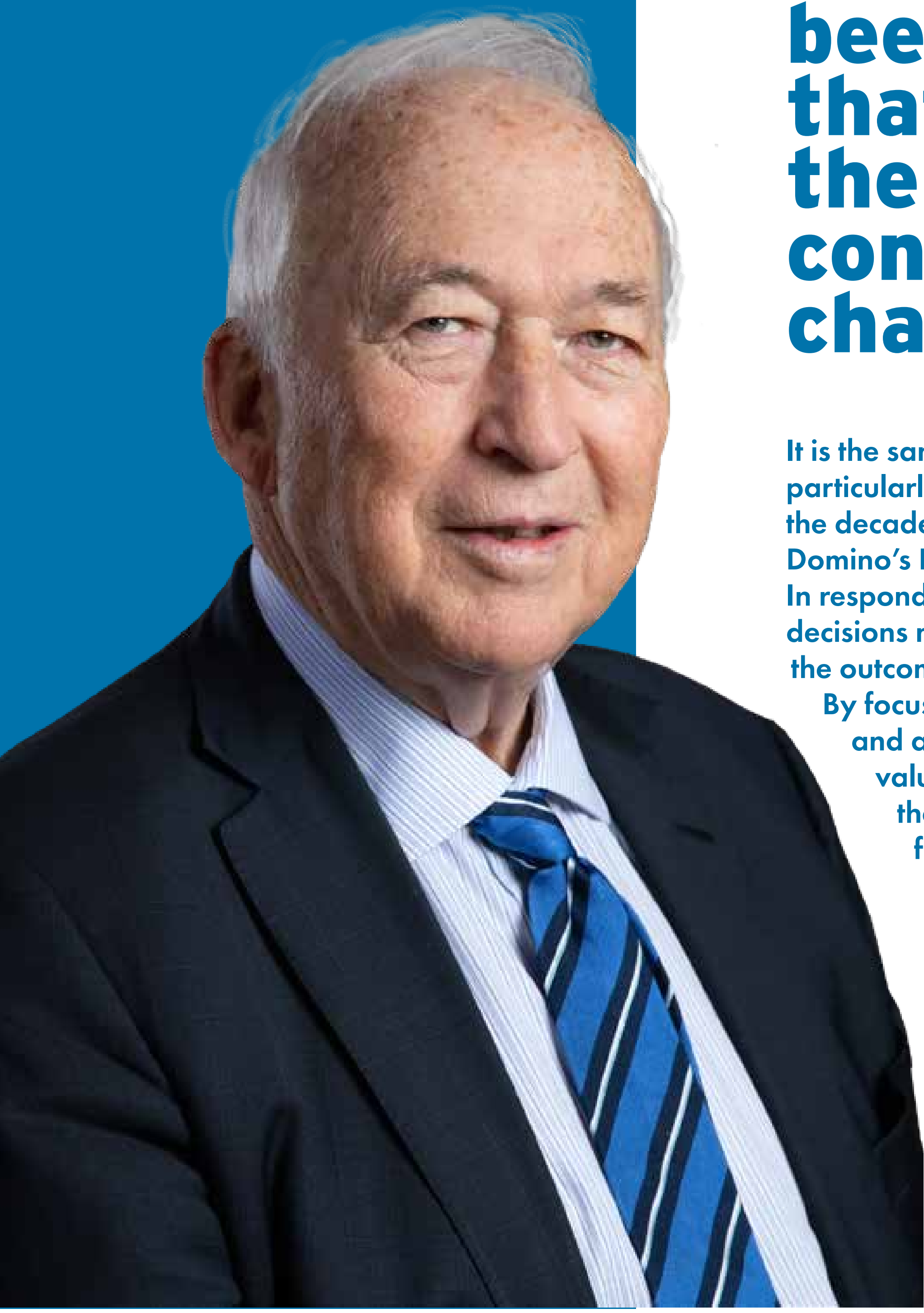
CHAIRMAN
JACK COWIN



“It has been said that, in life, the only constant is change.“

It is the same in business, particularly in a business with the decades-long history of Domino’s Pizza Enterprises Ltd. In responding to change, our decisions may not always get the outcomes we anticipate. By focusing on the long-term, and acting according to our values, we will ensure the strongest possible future.

This Financial Year exemplified this approach for Domino's. In the earlier stages of the year we announced the expansion of our business in Asia with the acquisition of the markets of Malaysia, Singapore and Cambodia, including 287 corporate-owned stores. These three markets have a long-term potential of more than 600 stores. At the end of the Financial Year we announced our intention to exit the Danish market, a business we had anticipated may grow to 150 stores. However, despite world-class operations we were unable to overcome the legacy of the previous owners that left the business in a brand-damaged state.

The two decisions, book-ending Financial Year 2023, demonstrate the considered approach management and the board take to investing shareholders' capital to maximise our return on investment over the long-term. This year Domino's delivered a return on equity of 26.5%. While this was lower than the prior year due to a sub-optimal short-term financial performance, we are confident in the Company's ability to significantly improve this result in the year ahead.

In responding to inflation, management worked to ensure a positive outcome for customers and for Franchisee Partners. Not all of the decisions delivered the results expected, but a long-term, values-driven approach ensured our Franchisee Partners were able to weather the short-term storm.

I have long advocated that building a successful QSR brand is akin to building a 100 storey skyscraper – a methodical approach that delivers increasing returns with scale. As the business has expanded in recent years, management and the board have recognised the importance of delivering on the benefits of Domino's global reach and scale.

Accordingly, Domino's announced in June a plan to focus operations, targeting a $53–59 million[1] improvement in annualised underlying performance. In addition to exiting the Danish market, Domino's also announced the Company would optimise the corporate store network – closing 65–70 underperforming stores and refranchising about 70–75 others, deliver on planned commissary closures in South-East Asia, and streamline core operations.

Importantly, the Company will reinvest 1/3rd of these improvements back into the franchisee network, including additional marketing, to target improved unit economics and growth.

Our Franchisee Partners are well positioned to deliver on our mission of becoming the dominant, sustainable delivery Quick Service Restaurant (QSR) in every market by 2030. It is a mission that carries through to all of our operations, including our supply chain. Which is why we are working closely with our partners to achieve our environmental and sustainability goals. We look forward to sharing more of this work in our next Sustainability Report, to be published later this year.

With a strong brand, lower overheads, reinvestment into our franchisee network, and streamlined core operations, we enter Financial Year 2024 in a strong position.

On behalf of the Board of Directors, I commend this report to you as a testament to the talent and experience of the people who will deliver on our future.

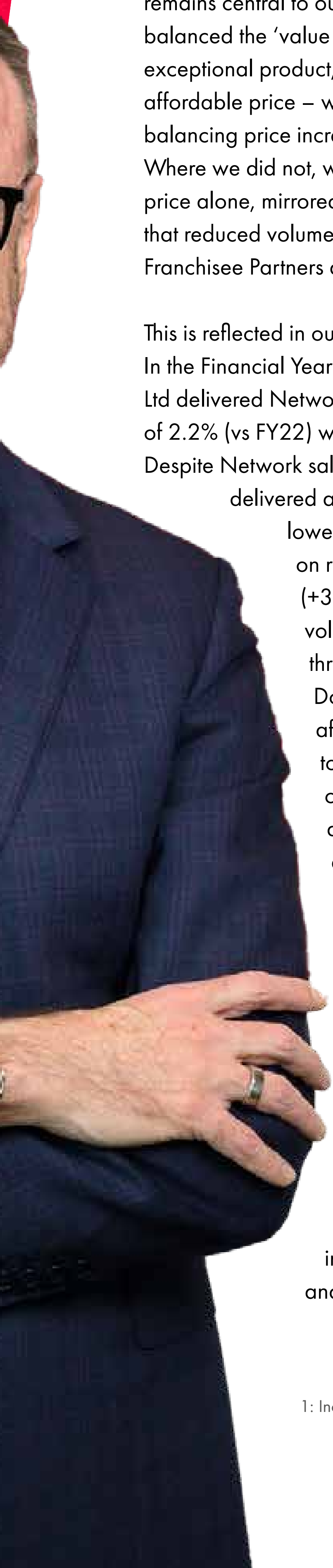
1: Annualised improvements of initiatives to be completed by end of FY25.

GROUP CEO & MANAGING DIRECTOR UPDATE

"WHERE WE SUCCESSFULLY BALANCED THE 'VALUE EQUATION'."

At the conclusion of the previous Financial Year, Domino's Pizza Enterprises Ltd was exiting the COVID-19 pandemic and facing the approaching storm of global inflation.

In my update to shareholders in these pages, I wrote: "Domino's is well positioned to navigate the near-term uncertainty of inflation; as we have always done, we will offer customers choice and exceptional value through our Product, Service and Image."



As we reflect on Domino's performance throughout Financial Year 2023, the heart of that statement remains central to our results. Where we successfully balanced the 'value equation' – by providing exceptional product, service and image, at an affordable price – we have offset inflation by balancing price increases with customer growth. Where we did not, we grew sales through increased price alone, mirrored by a customer count decline that reduced volumes (and therefore margins) for our Franchisee Partners and Domino's.

This is reflected in our financial performance. In the Financial Year Domino's Pizza Enterprises Ltd delivered Network sales of $4.0 billion, growth of 2.2% (vs FY22) with Same Store Sales of -0.2%. Despite Network sales growth, the Company delivered an underlying EBIT -23.3% lower than prior year, at $201.7m[1], on revenue of $2,366.8m[1] (+3.4% vs FY22). This reflected the volume decline in stores flowing through to our warehouse margins. Domino's margins were also affected through our inability to pass through ingredient cost changes as we ordinarily do, following some suppliers declaring force majeure on supply contracts at short notice, largely due to regional impacts of conflict in Europe, such as spiking energy prices.

Protecting our Franchisee Partners

While we anticipated the increasing cost of doing business for Domino's stores, through higher labour, ingredients and energy, the scale and pace of these increases meant Domino's leadership needed to adjust our pricing and cost base faster than in our history. Without decisive action, we faced the prospect of inflation eroding the entire profit pool for both Domino's and our Franchisee Partners. Domino's relies on our Franchisee Partners having profitable, sustainable businesses that provide employment to more than 100,000 team members, who serve local communities across the globe.

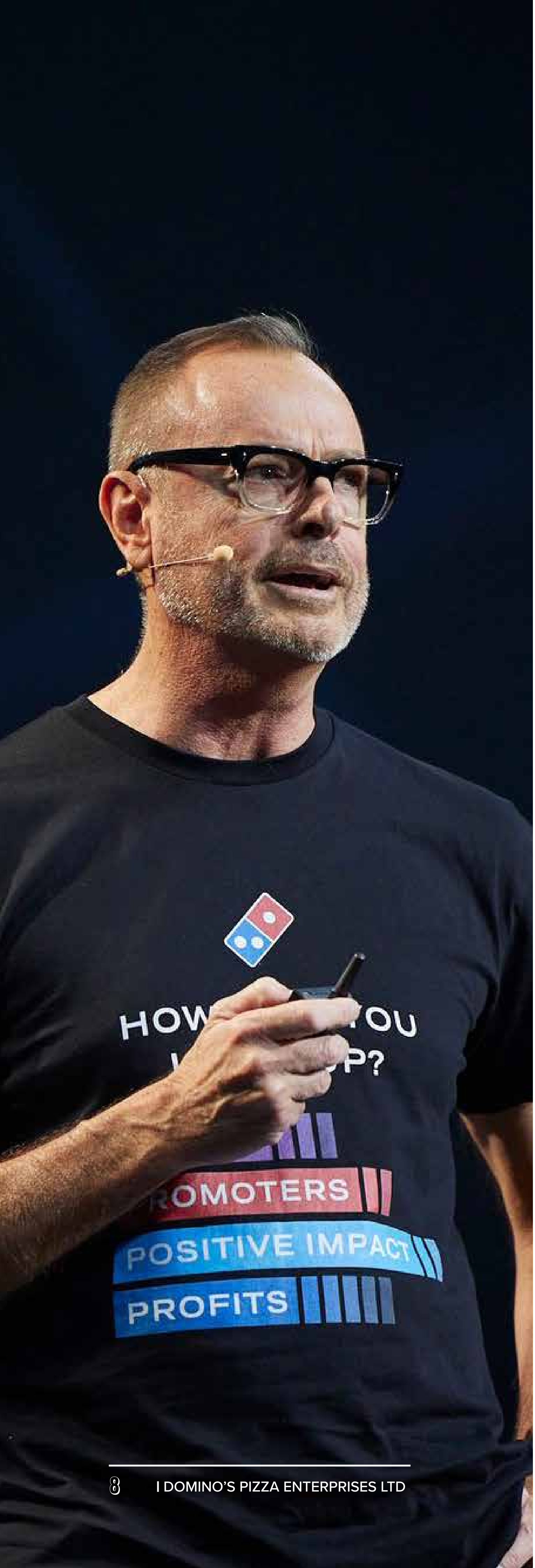
In some cases the pricing increases we passed to our customers, or the way in which we did so (such as a delivery service fee in Australia/New Zealand), did not resonate with more price conscious customers who typically ordered delivery. These customers reduced their frequency over multiple purchase cycles, a delayed effect that we subsequently identified and have been addressing over the second half of the Financial Year.

While we did not always get our pricing right – our decisive action ensured the sustainability of more than 1,000 small business owners whose livelihoods rely on the Domino's brand.

Domino's leadership in all markets understands the decisions we took that did not resonate with all customers, particularly in delivery, and are well progressed in reversing their effect in a way that provides value for customers and grows sales and profits for Franchisee Partners. At the same time, this period showed the resilience of our carry-out customers, where we offered incredible value and choice compared to other meal choices, even after offsetting inflation.

Delivering value for all customers, growing sales for our Franchisee Partners, and ultimately providing increasing returns for shareholders, remains the central focus of Domino's Pizza Enterprises Ltd.

1: Including the underlying results of Denmark



"Already we are delivering a stronger business that will be more efficient and sustainable for the long-term."

Reaching new customers through network expansion

Our organic store growth is largely through existing Franchisee Partners and Store Managers reinvesting in their businesses by opening new stores. The reduction in Franchisee Partner profitability during the last 12 months ($93,521 per store across the Group, -22.9% on a constant currency basis) temporarily delayed the expansion plans of some Franchisee Partners. This means 205 stores opened in FY23, +6.1% of the network; a significant expansion but lower than our medium term expectations of 8–10% organic new store openings. It is our expectation Franchisee Partner expansion and new store opening will increase in-line with rebuilding Franchisee Partner profitability, as a result of the initiatives already in place.

Opening more stores, closer to customers, remains key to Domino's Pizza Enterprises Ltd's strategy. By being closer to our customers, we deliver a hotter, fresher pizza by reaching our customers faster. Not only does this deliver higher customer satisfaction and sales, but also it reduces the cost of delivery. This means the order is not only better for our customers, but also for our Franchisee Partners. We will apply this approach through all markets, including our newest acquisition of 287 stores in South-East Asia: Malaysia, Singapore and Cambodia, our largest store acquisition. In addition to the net payment of $205.8 million[1] for these markets, Domino's Pizza Enterprises Ltd also acquired the remaining 1/3rd of the Domino's Germany business from our partners Domino's Pizza Group plc for approximately $123 million.[2] In December, Domino's Pizza Enterprises Ltd conducted a capital raising of $165 million, including a $150 million fully underwritten placement, to fund the acquisition of the remaining shares in Germany, with the surplus towards debt retirement.

FY23 Free cashflow[3] was -$290.3m, largely due to these acquisitions.

A foundation for future growth

Over the next decade, we intend to almost double our store footprint to 7100 stores.

In planning for Domino's expansion, management has been carefully considering how best to structure the business to build the strongest foundation for future success. Any inefficiency is a burden on the system as a whole, and we determined that streamlining our business would allow our Franchisee Partners to focus on delivering the best possible customer experience, growing their sales and profitability and expanding their business.

With our presence across Europe and the Asia-Pacific, Domino's now has the opportunity to leverage centres of expertise in core operations, as well as shared services for some functions, to deliver the most efficient results for our Franchisee Partners and our business generally. At the same time, we announced our intention to remove underperforming stores from our business, through the closure of some corporate stores and the accelerated sell-down of others to existing team members and Franchisee Partners.

Additionally, we announced our intention to exit the Danish market – a business we acquired from receivership following a breach of trust by the previous owners. Our team in Denmark performed exceptionally, showcasing the best the Domino's brand has to offer. Unfortunately, it was insufficient to grow the business to profitability.

We anticipate savings of $50–60 million during FY24 from these decisions. As these initiatives are completed and deliver savings, we intend to reinvest approximately one third to benefit stores, as we reinvest in the franchise network base.

Already we are delivering a stronger business that will be more efficient and sustainable for the long-term.

Focused on delivering

The past 12 months have been challenging for our team members, and our Franchisee Partners.

I am confident the decisions we have taken in FY23 will deliver a stronger business for our Franchisee Partners and our shareholders, with significant growth still ahead of us.

I am consistently impressed by the hard work and entrepreneurial spirit of our team members and Franchisee Partners across all of our markets, and I look forward to working with them as we deliver a significantly improved performance in the Financial Year ahead.

DON MEIJ
GROUP CEO & MANAGING DIRECTOR

1: Total consideration may include an earn-out of up to approximately $142 million
2: A further payment (approximately $17 million) related to the repayment of shareholder loans provided by DPG.
3: Including net lease payments.

BOARD OF DIRECTORS

Jack Cowin AM

Chairman

Appointed: March 2014

BACKGROUND & EXPERIENCE

Professional Background: More than five decades experience in the quick service restaurant industry. Founder and Executive Chairman of Competitive Foods Australia Pty Ltd, the owner and operator of more than 350 Hungry Jack's restaurants in Australia and several food manufacturing plants.

Other boards: Competitive Foods Australia Pty Ltd, v2 Foods, Apache Industrial Service (USA).

Former directorships: Fairfax Media Limited, Ten Network Holdings, Chandler Macleod Group.

Qualifications: Bachelor of Arts – University of Western Ontario, Canada;
Doctor of Laws, honoris causa – University of Western Ontario, Canada.

Don Meij

Group CEO & Managing Director

Appointed: August 2001

BACKGROUND & EXPERIENCE

Professional Background: Award-winning multi-unit Franchisee Partner and internationally recognised pizza executive. Mr Meij started as a delivery driver in 1987 and held various management positions with Silvio's Dial-a-Pizza and Domino's Pizza until 1996. Mr Meij then became a Domino's Pizza Franchisee Partner, owning and operating 17 stores before selling them to Domino's Pizza in 2001. Multiple-award winner, including Chairman's Award for outstanding leadership and Ernst & Young Australian Young Entrepreneur of the Year. In 2018, under Don's leadership, Domino's was inducted into Queensland Business Leaders Hall of Fame. Group CEO & Managing Director since 2002, leading the Company to become Australia's first publicly-listed pizza chain on the ASX (2005). In 2022, Don celebrated 35 years with Domino's.

Other boards: Not applicable.

Grant Bourke

Non-Executive Director

Appointed: August 2001

BACKGROUND & EXPERIENCE

Member of the Audit and Risk Committee and Nomination, Culture and Remuneration Committee.

Professional Background: Experienced food industry executive with extensive experience as an award-winning Domino's Franchisee Partner and executive. Prior to joining Domino's Mr Bourke was an international executive with Masterfoods (Mars Inc.). He was awarded Domino's Golden Franchisee Partner award (1995), Franchisee Partner of the Year (1997 and 1998), Golden Eagle winner (1999) for his contribution to the Company and global Chairman's Award winner for outstanding leadership. Former Director of Corporate Store Operations, Managing Director Europe, and Non-Executive Director since 2007.

Other boards: Not applicable.

Former directorships: Pacific Smiles Group Ltd.

Qualifications: Bachelor of Science (Food Technology) – University of New South Wales; MBA – the University of Newcastle.

Doreen Huber

Non-Executive Director

Appointed: February 2020

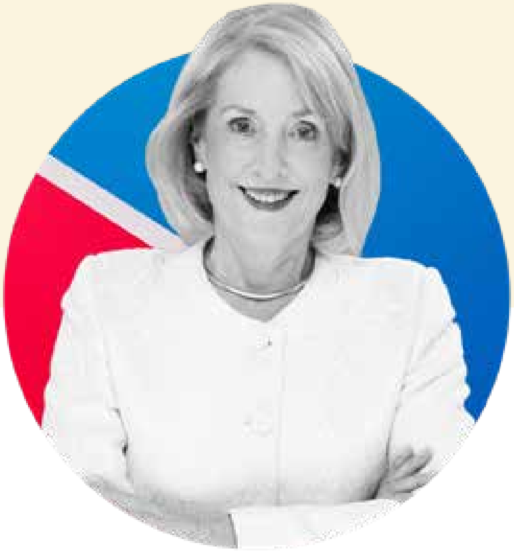
BACKGROUND & EXPERIENCE

Member of the Nomination, Culture and Remuneration Committee.

Professional Background: Respected business entrepreneur and food technology expert. Founder and former CEO of business catering aggregator Lemoncat (acquired by B2B Food Group). Former Chief Operations Officer and part of the founding team of Delivery Hero, the largest global food ordering aggregator (outside of China). Experienced angel investor, and former partner and investor in Springstar, which supported US-based internet furnishing platform Houzz, which are both multi-billion dollar companies.

Other boards: Non-executive Director Ceconomy AG, Bundesverband Deutsche Startups (German Start-ups Association). Former directorships: Lemoncat (Germany), Delivery Hero.

Qualifications: Magister Artium / Master of Arts (Literature, Art and Media) – Humboldt University of Berlin, Germany.



Lynda O'Grady

Non-Executive Director

Appointed: April 2015

BACKGROUND & EXPERIENCE:

Member of the Audit and Risk Committee and Nomination, Culture and Remuneration Committee.

Professional Background: Extensive career with senior executive experience in IT, telecommunications and media organisations. Former Executive Director and Chief of Product of Telstra, Commercial Director of Australian Consolidated Press, the publishing division of Publishing and Broadcasting Limited, and General Manager of Alcatel Australia.

Other boards: Director of Rubicon Water Limited, Non-Executive Director AVANT Mutual Ltd, Non-Executive Director Wagner Holdings Ltd, Member of the Advisory Board of Jamieson Coote Bonds, and Council of Southern Cross University and Director of Musica Viva.

Former directorships: Council of Bond University, Boards of the Aged Care Financing Authority (Chair), National Electronic Health Transition Authority (NEHTA), Screen Queensland and TAB Queensland, and the IT&T Board of Advisors to the New South Wales Treasurer.

Qualifications: Bachelor of Commerce (Hons) – University of Queensland, Fellow of the Australian Institute of Company Directors.

Uschi Schreiber AM

Non-Executive Director

Appointed: November 2018

BACKGROUND & EXPERIENCE

Chair of the Nomination, Culture and Remuneration Committee and Member of the Audit and Risk Committee.

Professional Background: Experienced global strategy and operations executive in the private and public sectors, including in countries in which the company is expanding its operations. Chair, Health Care, APM, a leading global health and human services organisation. Former EY Chair, Global Accounts Committee; Global Vice Chair Markets; member of the EY Global Executive Management Board and EY Fellow, Digital Society and Innovation. Former Director-General, Queensland Health; Deputy Director General, Department of the Premier and Cabinet and Cabinet Secretary, Queensland Government. Consultant, executive coach and diversity advocate.

Other boards: Global Chair, Health Care, APM, an ASX listed global health and human services organisation. Non-executive Director and Board Chair of Everyday Independence, a subsidiary of APM.

Qualifications: Master of Arts – Griffith University; Australia, Graduate Certificate in Management – University of Western Sydney, Australia; Bachelor of Social Work and Special Education – University of Braunschweig/Wolfenbüttel, Germany.

Tony Peake OAM

Non-Executive Director

Appointed: May 2021

BACKGROUND & EXPERIENCE

Chair of the Audit and Risk Committee and Member of Nomination, Culture and Remuneration Committee.

Professional Background: Chartered Accountant with more than two decades' of board-level experience across the public, commercial and not-for-profit sectors. Former Senior Partner at PwC, serving as an Audit and Consulting Partner, Chief Operating Officer, and Executive Director, with particular experience in Retail & Consumer, Education, and Government. Was the lead audit partner at PwC for major international brands, and led financial due diligence for large scale, multi-national client acquisitions.

Other boards: Bakers Delight, Country Fire Authority, Central Highlands Water, Scanlon Capital, Museum of Australian Photography

Former directorships: Melbourne Fashion Festival, Methodist Ladies College and the University of Melbourne

Qualifications: Bachelor of Business (Distinction) – RMIT, Fellow of Chartered Accountants Australia & New Zealand, GAICD.

OUR PURPOSE

We live in a world where 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.

We smash the prevailing wisdom which says you can't have quality, speed and low price. This puts the world's most delicious and versatile bonding food within reach of every person.

We are a pizza company, which uses technology and insights to break down barriers to serve our customers. We have achieved industry firsts in drone delivery, app ordering, store simulation for optimum design, and on-the-go employee training.

We are committed to continually improving and innovating our product and processes so our customers receive a world-class ordering experience, that satisfies their individual food preferences, every time.

As a trusted, household name in fast, quality pizza, we continue our pursuit of quality at a price that enables more people to connect and enjoy a 'slice of the pizza life'.

OUR PIZZA BRINGS PEOPLE CLOSER

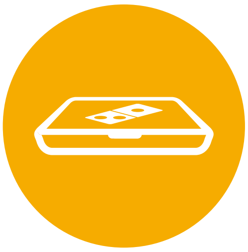
LIVING DOMINO'S VALUES

BE GENEROUS AND PROVIDE JOYFUL EXPERIENCES

Fun is in our DNA. It makes our people happier. Helping them provide a joyful customer experience. Our empathy, generosity and optimism are catching. They spread outwards – starting with us. Crucial because we're really selling happiness and connection – that just happens to come in pizza form.

CRUSH CONVENTION

We think outside-the-box and deliver experiences that make our customers say, "How did they do that!" We defy the convention which identifies three main drivers: Fast, Affordable and Good Quality and believes you must settle for any two. We're unbeatable when we deliver all three seamlessly. Again. And again. And again.



INVEST TO CREATE DEVOTION

We want customers for life. Our obsession is providing an outstanding Domino's experience. Set the bar high – to delight the most demanding people. That guides everything we do – including the way we do innovation and efficiency programs and the reason and way we use data.

HELP PEOPLE GROW AND PROSPER

We make people better off: team members, Franchisee Partners, our company, and the communities in which we live. We have a strong entrepreneurial spirit. Balanced with a determination to give our team rewarding experiences, opportunities, and a great place to work.

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

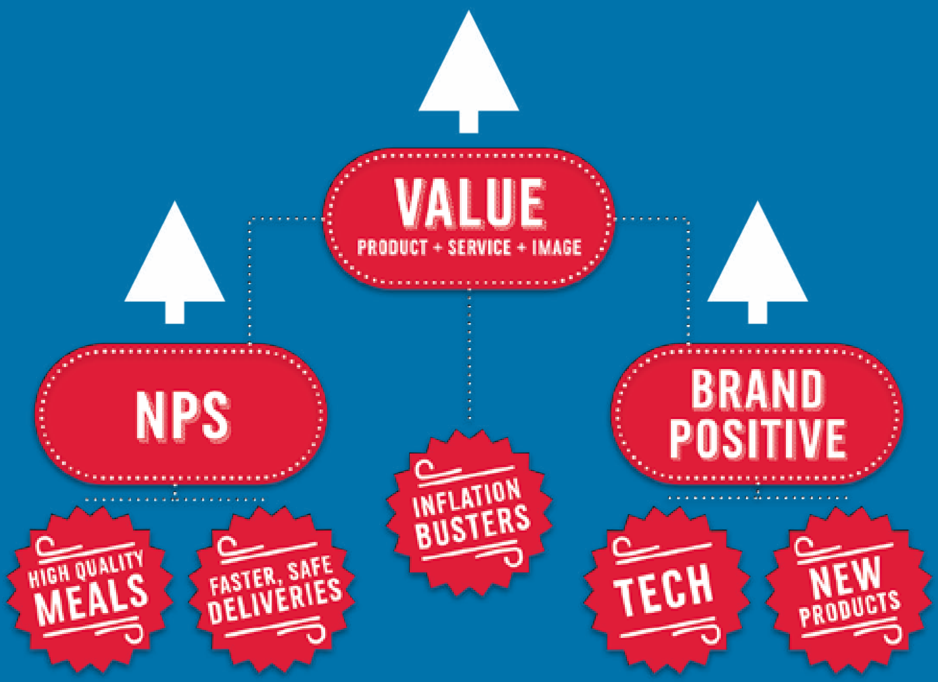
We behave well, with a great sense of responsibility to our team, our customers, communities, partners and investors. We hold ourselves to a high standard of integrity – recognising how valuable, yet fragile, trust can be. We are confident that our purpose and values lead to stronger teams, stronger outcomes, and a stronger business.

GROWING OUR VALUE TREE

It's no secret that we are driven by value. Value is at the core of everything we do, and the way we do it. ***But value isn't just about price.***

From our passion to connect our customers with faster, fresher quality food. To our commitment to developing our employees professionally and operationally with training and engagement initiatives. To our support for Franchisee Partners with exciting marketing materials and resources so they can succeed and expand their business. We seek to apply insights at every level of our business from the ground up, as we grow our Value Tree to deliver for our customers and our Franchisee Partners.

We invite you to read on to learn more about how different DPE regions have delivered value over the past financial year, through product, service and image.



SCIENCE BASED TARGETS

Domino's Pizza Enterprises Ltd is proud that its work in FY23 saw the Company recently become the first Quick Service restaurant chain to have its science-based environmental targets validated based on the latest scientific guidance on Forest, Land and Agriculture (FLAG).

To reach its long-term targets, including Net Zero emissions by 2050, Domino's is expanding the use of electric vehicles to deliver pizzas globally as well as partnering with the dairy industry to reduce one of the largest sources of emissions in pizza production: cheese.

Domino's Pizza Enterprises Ltd was selected as one of the first 10 companies in the world to have their FLAG targets validated.

The announcement means an independent organisation, the Science Based Targets initiative, has reviewed Domino's targets and confirmed the pathway to reach them meets internationally recognised scientific standards.

In addition to targeting Net Zero, Domino's has also committed to reduce greenhouse gas emissions by 65% per product sold by 2030 compared to 2020 emissions – including business growth – and to halt deforestation in its supply chain by 2025.

Domino's reviewed its emissions, and those in its supply chain, prior to planning a roadmap to reduce its carbon footprint and identified nearly 40% of its emissions came from dairy and other animal-based proteins, largely from cheese.

To reach its ambitious goal, Domino's is working with business partners to identify ways to reduce dairy emissions, without compromising on customers' taste preferences. The Domino's Dairy Initiative intends to reduce the environmental impact from dairy, in an ethical and sustainable way.

Marika Stegmeijer, Chief Environment, Social and Governance (ESG) Officer, said Domino's worked closely with international environmental experts to establish and validate the Company's targets and pathway, reviewing the entire value chain, including corporate operations, franchisees, and supply chain partners.

"We've identified three areas in our business that have the biggest impact on the environment: our stores & operations, the food we serve, and how this food is produced. For each we set specific targets we aim to achieve by 2030."

Group CEO & Managing Director Don Meij said: "By having our targets validated Domino's Pizza Enterprises Ltd demonstrates our dedication to aligning our emissions reduction efforts with the latest scientific research."

Domino's will publish its next Sustainability Report in November.

OUR SOCIAL AND ECONOMIC LANDSCAPE

The 2022–23 financial year saw an extension of many of the social and economic challenges, and associated risks, experienced during the previous years.

Information in respect to DPE's assessment of the principal economic risks that could have a material impact on the company, and the company's mitigation strategies for those risks is outlined below.

COMPETITION

DPE operates in a competitive market. DPE's financial performance or operating margin could be adversely affected if the actions of competitors or potential competitors become more effective, or if new competitors enter the market. DPE addresses this risk by closely monitoring the market in which it operates so that we can respond quickly to new competitors entering the market.

REPUTATION AND BRAND

DPE's performance is reliant on its reputation and branding. Unforeseen issues or events which place DPE's reputation at risk may impact on its future growth and profitability. DPE aims to mitigate this risk by nurturing mutually-beneficial relationships with key stakeholders and continuing to support local and regional community initiatives and fundraising events that align to DPE's values.

CONSUMER PREFERENCE AND PERCEPTIONS

Like all food service businesses and quick service restaurants, DPE needs to respond to changes in customer tastes and preferences, and demographic trends. There could be a material adverse effect on DPE's business and operating results if consumer preferences change. DPE addresses this risk through active customer engagement via social media, consumer data and research, innovative product development and updates to its menu offerings in each region.

ONLINE ORDERING PLATFORMS

Increasingly, the vast majority of DPE sales are conducted through online ordering platforms. DPE relies on third-party data centres and expert Information Technology teams for developing and hosting these online platforms. Loss of platform or application availability or integrity would result in a short-term impact on DPE's growth and profitability, including poor customer experience, revenue loss and potentially negatively impacting Franchisee Partner relationships. DPE mitigates this risk through controls and processes designed to protect the availability and functionality of these platforms – including data centre replication and other redundancy methods.

CYBER SECURITY

The ongoing and growing risk of a sophisticated cyber-attack continues to threaten DPE's operations. A cyber incident, including ransomware or a data breach, could negatively impact DPE by causing a disruption to operations, a compromise or corruption of confidential information, or damage to our employee and business relationships, any of which could subject DPE to loss or damage to the brand. DPE continues to invest in risk mitigation activities designed to prevent and detect cyber events and respond to and recover from any operational impacts.

SAFETY

DPE employs people to run and operate stores, in a safe working environment, that provide food products to the public. A health or safety incident as part of store operations or a health incident of a supplier involving the input of the products it uses, could impact DPE's financial results. DPE aims to address this risk through comprehensive internal food safety and quality practices, occupational health and safety practices, audit programs, customer complaints responses and supplier selection protocols.

SUPPLY CHAIN

Disruption to DPE's supply chain caused by an interruption to the availability of key components and raw materials or environmental and social wrongdoings is its supply chain, may adversely affect sales and/or customer relations, resulting in unexpected costs. DPE aims to mitigate this risk by implementing a multi-sourcing strategy for the supply of raw materials, building long term relations with its suppliers, conducting supplier due diligence and risk management and entering into contacts that provide for the regular and timely procurement of raw materials.

INFLATIONARY AND ECONOMIC CONDITIONS

An economic environment characterised by high unemployment, increasing labour costs, rising interest rates, ongoing inflation, cautious consumer spending or changes in consumer practices due to a possible recession could impact the Group's results.

Most of these factors are beyond the Group's control; however, the Group engages in a competitive bidding process for its ingredients and utility services, where possible, to reduce this risk over the medium-term.

For customers, DPE has a range of pricing strategies that balance the need to deliver sustainable unit economics for our Franchisee Partners, while delivering fantastic value to our customers. We are proud of our ability to learn from what works and adapt quickly when it doesn't.

Our digital ordering solutions including app-only deals, extensive owned media channels, and community-focused marketing campaigns give us the opportunity to win new customers and repeat orders from our existing fans.

FRANCHISE RISK

DPE's right to operate Domino's Pizza stores and grant franchises in Australia, New Zealand, Europe, Japan and Taiwan is conferred by separate Master Franchise Agreements (MFAs). These MFAs may be terminated in certain circumstances, such as breach by DPE, its insolvency and failure to achieve growth targets. If a MFA in respect of a territory is terminated, DPE will lose the right to operate Domino's Pizza stores in that territory and this will fundamentally impact on its business. DPE addresses this risk by maintaining a close working relationship with its Master Franchisor, and by actively monitoring compliance with obligations and operational standards.

FRANCHISEE RISK

There is a risk of DPE's franchisees not operating their franchise in accordance with the terms and conditions of their respective franchise agreements. The consequences of non-compliance may include damage to the brand, fines or other sanctions from regulators, and/or a reduction in franchise fees received from the franchises. DPE mitigates this risk by continually monitoring and evaluating the financial and operating performance of each franchisee to actively assess compliance with executed franchise agreements and conducting random audits.

FINDING AND KEEPING GOOD STAFF

In every country, labour availability is challenged. Domino's stores need to rise to this challenge, to retain and recruit team members. DPE has used locally-relevant approaches to attract people to the Domino's family who may not have previously considered Domino's as a job for them, or even a longer career. Using social media, partnering with other companies, and making the application process simpler, we targeted new groups through our recruitment campaigns.

Internally, we are focused on providing genuine career-building opportunities for our staff with easy-access training programs and professional development workshops.

PERFORMANCE HIGHLIGHTS

STORES GLOBALLY
3,782

UNDERLYING EPS
139.4 CPS

UNDERLYING EBIT
$201.7M

NETWORK SALES
$4,005.6M

EUROPE
1,407 STORES
81.62M PIZZAS SOLD

ASIA/PACIFIC
2,375 STORES
175.32M PIZZAS SOLD

ONLINE SALES
$3,132.8M

CLUB 1845 DELIVERS FASTER, QUALITY MEALS

A commitment to value was the driving force across Domino's Pizza Enterprises Ltd this year.

The Value Equation remained at the heart of our strategy and operations, as we strive to continually deliver the right product, service and image, at an affordable price.

Value became the strong platform we used to launch Club 1845.

To join Club 1845, a store must maintain an Average Delivery Time (ADT) of less than 18 minutes and a Product Quality (PQ) score of at least 4.5 for one whole quarter (three sequential months).

High quality, operational excellence – that's how we deliver value.

Why 1845?

At Domino's, we know there is a direct correlation between less than 18 minutes ADT and a 4.5 PQ scores.

The longer we take to deliver a pizza, the lower its product quality will be. When we deliver well-made pizzas in an efficient, safe manner, our product quality drastically improves.

It's fast becoming apparent, that the real reward for Franchisees and Store Managers in joining Club 1845 is increased sales and profitability in their stores.

High quality, operational excellence – that's how we deliver value.

Store name	Country name
Altona	Australia
Brussel Ixelles Chaussée D'ixelles	Belgium
Lübben	Germany
Lübbenau ★	**Germany**
Nakagosho	Japan
Ishioka Tokodai	Japan
Tomisato Hiyoshidai	Japan
Higashi Sonoda	Japan
Edogawa Matsushima	Japan
Kakogawa Isshiki	Japan
Kashima Kyuchu	Japan
Mizue	Japan
Schoonhoven	Netherlands

★ Lubbenau, Germany, remained a Club 1845 store for six months consecutively, an incredible achievement. You can learn more about this store here: Watch the video about Lubbenau, Germany here!

https://investors.dominos.com.au/videos/1845-lubbenau

OUR GLOBAL AWARD WINNERS EUROPE

FRANCE

Multi-Unit Franchisee Partner 2023
Alex Abdeddaïm
Single Unit Franchisee Partner 2023
Guillaume Tripoli
Best Opening Week 2023
Romain Drode
Big Record Sales 2023
Alex Abdeddaïm
Best NPS 2023
Guillaume Tripoli
Best EDT 2023
Gaëtan Lebreton
Best Sales Progression 2023
Xavier Moison
Domino's For Good Award
Victor Gaugry
Rookie Manager of the Year
Arnaud Kouadio
Manager of the Year 2023
Hocine Kherbouche
Supervisor of the Year 2023
Nicolas Munsch
Food Safety Excellence 2023
Kamel and Salem Boulhadid and Ali Chbihi
Domino's For Good Award
Victor Gaugry
Club 1845
Fabrice Dorie and Gaetan Lebreton

BELUX

Trends Gazelles Award
Franchisee Partner Fethi Tekin
Franchisee Partner of the Year – Belgium
Tarik and Hassan Boumadiani
Manager of the Year
Ihab Ballouk DP Tienen
Rookie Manager of the Year
Amin Moujahid DP Maaseik
Split Store Manager of the Year
Assia Boujar DP Brussel Centrum

GERMANY

ProVeg Ranking 2023
3rd place, Most vegan-friendly restaurant chains

Lieferando Awards
Winner, Best international restaurant chain category

Local Hero Cluster A 2022
Berlin Marzahn

Local Hero Cluster B 2022
Wismar Lübsche Burg

Local Hero Cluster C 2022
Lübben

NPS Hero 2022
Prenzlau

OER Hero 2022
Aschersleben

OER Streak
Lübbenau

German Record Week
Regensburg

Club 1845
- Stephan Grutke, Lübbenau
- Robert Huber, Lübben
- Franz Lohr, München Laim
- Sascha Körner, Bad Oldesloe

Domino's For Good Award
Andres Voigt

German ATD Record
Hamburg Hafencity

Delivery Expert of the Year 2022
Nico Steinbach, Schleswig

Trainer of the Year 2022
Anna Wasilewski

Time is the Enemy of Food 2022
Lübbenau

Supervisor of the Year 2022
Karwan Amin

Domino's for Good 2022
Andreas Voigt, Frankfurt/Oder

Support Team Member of the Year 2022
Lisa Metzger

Franchisee Partner of the Year 2022
Felix & Thomas Müller, Chemnitz

Store Manager of the Year – New Store 2022
Yusuf Metin, Berlin Buckow

Store Manager of the Year 2022
Stephan Grutke, Lübbenau

DENMARK

Domino's Leadership Award
Head of Corporate Stores, Pauline Ramke, recognised with a Leadership Eagle, following 27-year tenure at DPE.

THE NETHERLANDS

DPE Franchisee Partner of the Year 2022–23
David Drees

DPE Global Store Manager of the Year 2022–23
Thijs Vosmeijer

DPE Global Leadership Award (Gold Eagle)
Maurice van Tienhoven

DPI International Rookie Manager of the Year
Robin Kamerbeek

DPI Regional Manager of the Year
Sjoerd Hendriks

Lunch Champion
Lelystad 30647

NPS
Zutphen 30750

Safe Delivery Time – New Store
Oude Wetering 30942

Safe Delivery Time
Made 30911

Customer Hero
Papendrecht 30639

Hygiene and Training Check (HTC) Award
Zeewolde 30854, Oosterwolde 30956, Zutphen 30750

OER Awards
Ulft 30927, Nijverdal 30732, Zutphen 30750, Arnhem Schuytgraaf 30767,

Shift of the Year 2022 (cat 1)
Oude Wetering 30942

Shift of the Year 2022 (cat 2)
Ijsselstein 30780

Shift of the Year 2022 (cat 3)
Wolvega 30908

Shift of the Year 2022 (cat 4)
Zutphen 30750

Pizza Hero
Zutphen 30750

Best Opening Week Sales 2022
Zevenbergen 30938

AWUS Champion New Store 2022
Zevenbergen 30938

Best Shift of the Year 2022
Zutphen/Wolvega

Sales Champion 2022
Nieuwegein 30601

Order Champion 2022
Nieuwegein 30601

Multi-Unit Sales Champion 2022
Sjoerd van Seters

Domino's For Good Award
Duco Jonckheer

Megs Valuable Player Award
Tim van Ast

Dominator Award
Thijs Vosmeijer, Zutphen 30750

Multi-Unit Franchisee Partner 2022
David Drees

Split Store Manager of the Year
Evan Visser, Zwijndrecht 30599

Rookie Manager of the Year
Erykah Mulder Dinxperlo

Manager of the Year
Thom Houwer, Wolvega

OUR GLOBAL AWARD WINNERS APAC

JAPAN

Gold Franny Awards
- Kiyoshi Izumi
- Hikaru Oshima

Rolex Challenge
- Seigi Iwaguchi
- Keisuke Seki
- Futa Ohara
- Momoka Kominami
- Yuki Nakajima
- Kotaro Arai

Domino's For Good Award
Takashi Akita

Eagle Leadership Award
- Team Store Development
- Shizue Suzuki
- Kazuya Fukumoto
- Akinobu Kinbara

DPE Global Support Team Member of the Year for 2022
Ayumi Matsubara

MALAYSIA

2022 Asia Corporate Excellence & Sustainability Awards (ACES)
Chief Executive Officer (CEO), Shamsul Amree – Winner, Asia's Most Inspiring Executives

Putra Brand Awards 2022
Bronze – Restaurant & Fast Food category
Also known as the People's Choice Awards, voted by Malaysian consumers that money cannot buy.

2022 Malaysian CMO Awards
- Gold Chief Marketing Officer (CMO) Award, 'Best Marketer in Retail and Promotions Marketing' category
- Group Chief Marketing Officer, Domino's Pizza Malaysia, Singapore & Cambodia, Linda Hassan

2022 Graduates' Choice Award (GCA)
Most Preferred Graduate Employers to Work For

Dragons of Asia Awards 2022
- Gold – 'Can't Get Cheesier Than This' Best Product Launch of Relaunch Campaign
- Silver – Best Product Launch of Relaunch Campaign category

TAIWAN

Team Member of The Year Award
Training Manager, Ivy Huang

People Excellence Award
Partnership Manager, Leo Hsu
Marketing Director, Rebecca Chao

SINGAPORE

Singapore's Best Employer Award 2023
42nd place – Domino's Pizza Singapore

AUSTRALIA AND NEW ZEALAND

$10 Million Dollar Club
- David Hutchinson & Chad Cable
- Greg & Sarah Tinson
- James & Astrid Acreman
- Raja & Payal Kataria

Best Opening Week Sales
Team South Hedland

Big Red
Mark Glynn

Domino's For Good Award
Mitchell Amor

Car Park Hustle Champion
Team Wellington (NSW)

Charlie Reynolds Memorial Award – Franchise Hands on Hero
Drue Tempest (Charlestown)

Corporate Services Team Member of the Year
Amanda Harper

Domino's for Good Award
Team Ballina

EDT Champion
Team Chermside

Franchise Operations Team Member of the Year
Dion Standley

Give For Good – Most Passionate Round Up for Charity Store
Team Campbelltown

Give For Good – Workplace Giving Award
Team Gympie

Global Sales Record
Darwin Jarrett

Highest Customer Growth – SSC% Basis
Team Queen Street (Qld)

Highest FSE Average
Team Kalamunda

Highest OER Average
Team Charlestown

Highest Sales
Team Kalgoorlie

Highest Sales Growth – SSS% Basis
Team Goonellabah

Home Grown – Franchisee Development Award
Greg Steenson & Nathan Carrington

Hunter MacKenzie Big Heart Big Fun
Team Coolum

Leadership Award
- Andrew Wood
- Chris & Brittany Ebert and Jonathan Ebert
- Dan Tan
- Daniel Murray
- Digvijay Lohia
- Harmanpreet Singh Rana (Lucky)
- Justin & Amber Munro
- Lindsay & Jason Tod
- Matthew Kershaw

- Nathan & Vanessa Quiring
- Ross Kruger
- Satinder Vir Singh
- Shri Krishan & Sanyogita Pandey
- Thomas Martyn

Manager of the Year

Lalit Sharma (Northam)

Most Profitable Store, EBITDA $

Team Kalgoorlie

Multi-Unit Franchisee of the Year

Mark Glynn

Operational Excellence – Customer's Champion Award (NPS)

Team Aldinga

Out the Door Champ

Team Chermside

Partners Foundation – Workplace Giving Award

Team Maroochydore

People Excellence Award – "Growth from within"

Raja & Payal Kataria

Rack Time Specialist

Team Kalamunda

Raymon Exposito Memorial Award – Team DPA

Regional Leader of the Year

Jack Hardcastle

Record Smasher – ANZ

Team St Kilda

Rookie Manager of the Year

Saadi Arshad (Collie)

Safest Store

Team Surfers Paradise

Team DPA Operations Manager of the Year

Wayne Mann

The Alvaro Del Busto Memorial Delivery Expert of the Year

Daniel Steele

Time is the Enemy of Food Award (Fastest Safest Store ANZ)

Team New Farm

Tom S Monaghan "Nobody Delivers Better" Award

Team Northam

CEO'S REPORT EUROPE

"I AM PROUD OF THE RESILIENCE AND COMMITMENT OF OUR EUROPEAN TEAMS."

The past 12 months have been some of the most challenging in recent memory, not only for Domino's operations in Europe, but also for the communities in which we operate.

Regional conflict, leading to rapid inflation of energy costs, had a flow on effect to customers, suppliers, team members and to our Franchisee Partners. This inflation, layered with the broader post-Pandemic inflation experienced in other markets, coupled with the government response to increase minimum wages to provide cost-of-living relief, delivered a perfect storm for our operations.

In the face of these challenges, I give credit to our Franchisee Partners and our team members, for adopting a mission mentality and delivering for our customers and our communities every day.

At the start of the Financial Year, some of Domino's longstanding partners were faced with no option but to declare force majeure due to the unforeseen increases in their input costs, and to increase the cost of ingredients for Domino's stores. This had a flow on effect to Domino's Europe, where we were not in a position to pass on all of these costs to our Franchisee Partners, which compressed our commissary margins.

Facing significant inflation at a store level, with Germany facing more than 20% inflation through energy, labour and input cost increases, Domino's worked to pass through these costs to customers in a transparent manner. Raising prices quickly, regardless of the size of those increases, reduced weekly customer orders in most markets. But the decision was unavoidable in order to protect Franchisee Partner profitability, and the sustainability of these small to medium enterprises.

This reduction in food volumes through our commissaries and warehouses reduced our margins, with a flow-on effect to earnings. The net results were earnings of $52.9m underlying EBIT[1], -33.0% vs FY22, network sales of $1,594.9m (3.9% higher sales than the prior year).

Despite this unexpected and unprecedented turmoil – I am pleased that our teams have focused on rebuilding value for our customers through Product, Service and Image, which positions us well for the year ahead.

1: Including the underlying results for Denmark

The past Financial Year was strong for new product development, including the introduction of glazes and frappes in France, and Doner pizzas in Germany – all resonating with customers. Our new crispy fries, launched first in the Netherlands, were our most successful sides launch in the history of our European business.

During these challenging times, our teams gave back to the communities we serve in line with our values, launching our Foundation Domino's charity in France, providing support to communities affected by the Turkish earthquake through fundraising in Germany, and by giving support to school breakfasts for those less fortunate in Germany and the Netherlands.

Domino's is the home of value, and fun. Nowhere was this clearer in FY23 than through our reintroduction of sharp marketing offers, used successfully pre-COVID to attract new customers, such as the rejuvenated StuntWeek.

Our teams also took the opportunity to look at new ways to do business, particularly in recruiting and retaining new team members. They tried new approaches to entice candidates, such as using WhatsApp as part of our recruitment strategy.

I am proud of the resilience and commitment of our European teams in the face of the challenges in our market. Throughout, Domino's has demonstrated the value in collaboration and communication between our corporate offices and our Franchisee Partners, to help us navigate this period.

We close the Financial Year in an improved position than we began and look forward to delivering an improved financial performance in FY 2024 for our Franchisee Partners and our shareholders.

ANDRE TEN WOLDE

EUROPE CEO

YEAR IN REVIEW

FRANCE

Despite a challenging year of business for Franchisee Partners, due to rising inflation and competitive market forces, Domino's France remained focused and adaptable. We expanded our product range, pushed highly visible marketing campaigns throughout the year and strengthened our communication to support sales in our stores.

CHEDDAR SAUCE

DOMINO'S FRIES
The classic and loaded fries quickly became popular with customers

DOMINO'S GLACÉS
(ice cream)

CHEEKY PIZZAS

DOMINO'S FRAPPÉS
(thick shakes)

KIOSKS
We opened the first distributor kiosks for quick and easy ordering, making our product available to customers outside store opening hours.

DRIVING OUR SUCCESS

The Megaweek held in May proved to be a huge success for Domino's France allowing us to reach our National Record of the week. The success was thanks to the energetic and colourful involvement of Franchisee Partners and their teams in organising promotions during the week.

The campaign helped set new records across the country. The top 20 stores, ranked on total turnover performance during the Megaweek, enjoyed a boost in sales in their stores and highly engaged teams. The results of the combined exceptional work throughout the campaign also saw more than 50 stores beating their personal records during the Megaweek – a result worthy of their efforts.

We also responded to market demand by adding Crazy Saturdays to boost the sales from Crazy Tuesdays and Thursdays and held Boost Week promotions to draw new customers into our stores.

An important reason for the success this year was the wide support from Franchisee Partners across France, who saw these promotions as opportunities to win new customers and grow sales volumes with existing customers.

YEAR IN REVIEW

STORE OPENINGS AND A RECORD

Over the past fiscal year, we have opened 30 new stores in France.

Our prospects for the next year indicate we will maintain a similar growth trend. With Domino's in France only covering 30 per cent of the population, we have already identified locations for the next 30 new stores.

Congratulations to the team of the Noisy-le-Grand (Paris area) store, who recorded the most orders per month in France for the year with almost 11,000 orders in March, and more than €220,000 in sales.

LIVING DOMINO'S VALUES

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

This year we lived the Domino's Purpose and Values through our strong environmental focus. We extended our Less is more project, where we minimised cardboard in our supply chain and implemented zero-plastic initiatives.

Our ultimate aim is to completely eliminate cardboard from the supply chain, and we are working closely with all our suppliers to achieve this goal.

At a logistics and store level, this considerably reduced the amount of plastic packaging around pallets when pizza boxes are delivered to our warehouses – saving a massive 15 tonnes of plastic over the year – and resulted in more than 700 tonnes of recycled cardboard.

At Vertou, our logistics centre in Western France, 100 per cent of our vegetables now arrive in reusable plastic crates instead of cardboard packaging. Eliminating these cartons for vegetable packaging represents a saving of around 4.5 tonnes of cardboard per year. It's also a more ergonomic option for our teams, as it requires less handling.

HELPING PEOPLE GROW AND PROSPER

Domino's France is proud to be committed to supporting people with disabilities into working life. In November, we launched our Handiwork Recruitment program in partnership with HANDIWORK, Pôle Emploi and Cap Emploi.

We have been delighted to welcome Elisée, Gabriel, Halima and Marie-Ketty to our Gennevilliers store for the start of their training as Multi-skilled Fast Food Workers.

The Handiwork Recruitment program provides includes nine weeks of training and integration at Domino's France headquarters. Since completing their training, the four Handiwork participants have been offered a full-time job at Domino's.

We also launched the sneakers recruitment campaign to support the stores in their recruitment efforts. The campaign is similar to one implemented in the Netherlands, where we use non-traditional methods to attract candidates, including giving away a pair of Nike x Domino's sneakers to new employees.

DOMINO'S FOUNDATION

Domino's France's vision extends beyond our store frontages and includes a mission to support inclusive schools in France.

We created the Domino's Foundation as an opportunity for our stores and volunteers to actively help promote equal access to education for children, teenagers and young adults, particularly those with disabilities.

This year, our Domino's Foundation supported two associations, Des carrés dans des Ronds and Collège Arthur Rimbaud, who share the vision of integrating children with disabilities into mainstream schools and promoting the "universality" of education.

We collected funds for the Foundation through our Round Up for Charity promotions and are proud of our contribution to support social inclusion and personal development for many young people. Funding from the Domino's Foundation has already enabled the purchase of a 3D printer, the development of a Disability Fablab, and the recruitment of an occupational therapist to supervise the lab. Through the Disability Fablab, students can gain more autonomy to complete tasks that are normally difficult by 'printing' custom-designed tools to meet their specific needs.

Fondation Domino's
Abritée par la Fondation de France

FRANCE FRANCHISEE SPOTLIGHT

"Being seen as a local player is key as it creates solid partnerships with the local people, schools and sporting associations."

– GUILLAUME TRIPOLI

Guillaume Tripoli was on duty until midnight the night before his store buyout was finalised in 2021.

This provides insight into the professionalism and commitment this Franchisee Partner brings to his business every day, and going by the standards delivered by his team, it seems it's catching.

"I really enjoy working with the teams and seeing a business grow and develop," Guillaume said.

"Today, I'm extremely proud of Sophie, my Manager, who I've worked with for 11 years.

"There's Milan, the first employee hired at Le Chesnay and now Assistant Manager in my store.

"Finally, Léo, who joined us at the age of 16, working to pay for his studies, who decided to continue the adventure with us. Today he's 20 and has just bought his own apartment."

Although part of the larger Domino's network, Guillaume considers himself a local retailer.

"I want to be seen as a local player, because it creates solid partnerships with the local people, schools and sporting associations," he reflected.

HIS STORE

1. Saint-Germain-en-Laye 78100 (Yvelines, Paris area)

This is no surprise, given Guillaume's Domino's journey started back in 2012 when he was living in an apartment above the Domino's in Saint-Germain-en-Laye and applied for work.

"I was seduced by the store's atmosphere and in particular the manager's welcome," he remembers fondly.

Guillaume has a simple motto for maintaining that positive atmosphere in his own store today.

"You have to put the customer first, and our employees are our first customers," he said.

"If I arrive smiling in the morning, then my teams will be in a good mood too.

"If the working atmosphere is clean and pleasant, then the service will be impeccable and pleasant."

Guillaume believes ongoing training is vital for teams to become operationally efficient.

"I'm young, but I'm demanding of my teams, especially when it comes to instilling Domino's values, rules and standards," he said.

"You have to put the customer first, and our employees are our first customers."

"When we put on our Domino's uniform, we set the tone, we transmit a sense of belonging, and that's what I teach my teams."

"We insist that our delivery drivers are well dressed, take off their helmets in front of customers to introduce themselves and convey respect to the customer."

And communication is key.

"Communicating well with my teams is essential, because business is done as a team," he adds.

"Every evening, we share the store's figures and a few tips on store management and performance.

"My teams need all the data to know why they're working and what they're getting out of it."

Guillaume has plans for the future, yet remains thoughtful about his approach.

"I do this work with my guts, with my heart," he said.

"I was proud to receive the Single Unit Franchisee Partner of the Year Award at the French Rally, which rewards not only my store's performance figures, but also my teams, who have done a fabulous job."

"Today, my business is thriving, my teams are top-notch, we work well together, and my customers are satisfied and loyal – that's all I aspire to."

GUILLAUME'S ACHIEVEMENTS

HIS PATH

2012 **June |** Commences with Domino's as a multi-skilled employee at the age of 18, looking for a student job to pay for his driving license

2013 **April |** After a year and a half, becomes Assistant Manager at the Saint-Germain-en-Laye store

2014 **September |** Moves to the Le Chesnay store (Yvelines) as Manager, where he remains for six years. Simultaneously offered a Supervisor position at the Saint-Germain-en-Laye store. Manages two stores at the same time, coordinating the marketing strategy and team management

2019 **November |** Joins Emerging Leaders' Class II a few months before COVID-19 pandemic

2020 **September |** Returns full time to Saint-Germain-en-Laye and the store thrives, with the delivery-side of the business kept busy through the pandemic

2021 **November |** Purchases the Saint-Germain-en-Laye store and becomes a Franchisee Partner

HIS AWARD

2023 : Winner Single Unit Franchisee Partner of the Year Award at Domino's France Rally

YEAR IN REVIEW

BELGIUM & LUXEMBOURG

In October, Ringo Joannes handed over the CEO reins to Anneke de Groot, the first female CEO for this market.

Anneke enjoyed instant rapport with the DPE Belux team, due to her respected leadership qualities and hands-on experience. Anneke started at Domino's as a franchise recruiter in 2012 and has honed her skills across a range of Domino's fields over the past decade.

PUTTING A HOT AND FRESH TWIST ON A NATIONAL DISH

A key milestone for Domino's Belux was introducing Crispy Oven Fries and Loaded Fries to our menu. Taking a risk in a country where fries are considered one of the national dishes paid off. Using a soft campaign launch to gauge the market, we quickly saw pleasing numbers in order count and food sales. We were also happy to welcome a new type of customer to our Domino's stores, who were drawn by the lure of Hot and Fresh fries.

At the same time, launching the Domino's app resulted in online sales though this platform more than doubling.

We launched these new products over the past year:

LOADED FRIES

CRISPY OVEN FRIES

BURGER PIZZAS

GARLIC BREAD

POPCORN CHICKEN

FILLED CHURROS

YEAR IN REVIEW

STORE OPENINGS

We opened one store in Belgium this year, bringing the total in the Belux region to 137. The new store was acquired by existing Franchisee Partners, looking to extend their market presence.

Store expansion slowed this year in the face of inflationary pressures. We are therefore proud that six Domino's Store Managers recognised the business potential in Domino's stores and progressed to Franchisee Partners.

BACK TO BASICS

Our marketing strategy this year took us back to basics. We asked ourselves what does a Franchisee Partner need at a time when costs are rising? We stuck to known, successful promotions such as Stunt Week, Boost Week, Always on Deals and Crazy Tuesday/Saturday.

Boost Week was our number one week this financial year. We saw more than 20 per cent extra orders per store, compared to standard weeks – including many first-time Domino's customers.

It's not surprising that order and sales figures peak on Tuesday and Saturday, as we continue to run the Crazy Tuesday/Saturday deals every week. We extended the promotion by adding 'Crazy Thursday' and were pleased with the significant lift in pick-up order counts on Thursdays.

These time-tested campaigns worked alongside our new Crispy Oven Fries and Loaded Fries products to drive sales throughout the year.

LIVING DOMINO'S VALUES

Last year, Benelux donated more than 33,000 euros to the refugee organisation UHNCR through the 'Round Up For Charity' initiative, where customers have the option to round up their order total with a donation.

We proudly continued our corporate partnership with JINC. This foundation is committed to building a society where your background does not determine your future.
We organised tailored internships for students in our stores and leadership team members provided job interview training in schools.

We also supported Bednet, a foundation dedicated to helping children who cannot attend school due to illness. Colleagues in our headquarters raised awareness of this foundation by working in pajamas for a day.

1845 EXCELLENCE

Maaseik, Houthalen, Frameries, Schaarbeek, St. Gilles, Ixelles (Chaussée d'Ixelles) and Deinze joined Club 1845.

Average EDT under 18 minutes

Product score of 4.5 or higher

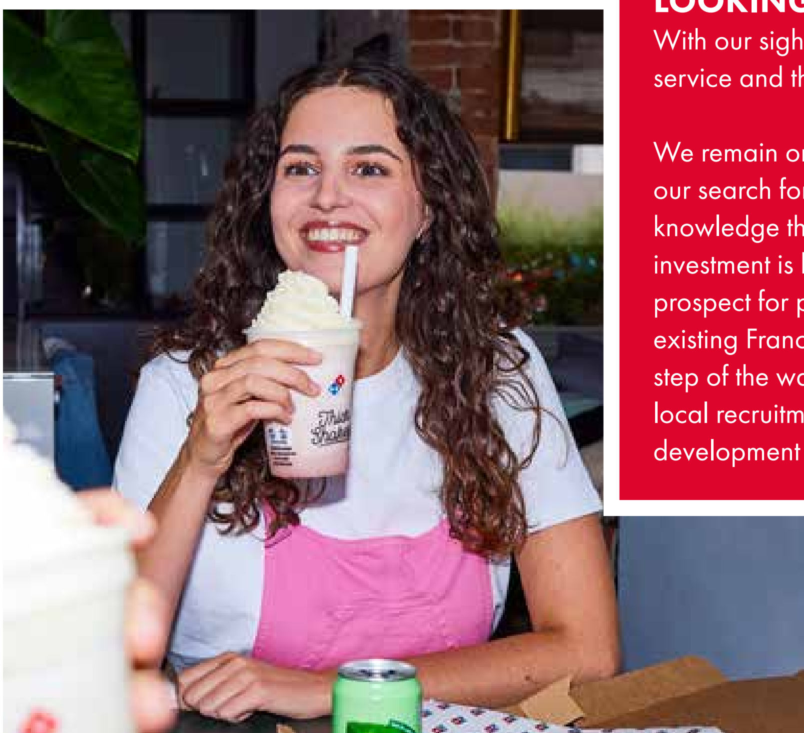
HELPING OUR PEOPLE TO GROW AND PROSPER

We recognise the importance of retaining our employees and have input significant effort into building lasting connections and job satisfaction with our staff.

We expanded our training program, helping Franchisee Partners and their staff get the best out of their stores, and used internal events to provide training and, of course, fun! Belgium hosted its Fastest Pizza Maker Contest (FPMC), and the first Managers' Rally took place focusing on food safety and quality. Both events enjoyed a high turnout and immediately proved to be excellent engagement activities with ongoing positive impacts seen in our stores.

It is always wonderful to see our people grow and prosper this year. Eight Franchisee Partners continued to increase their store numbers and six Store Managers grew into Franchisee Partners, taking over an existing store.

We believe today's delivery drivers are tomorrow's Franchisee Partners. It's our job to ensure they are engaged and have access to development opportunities to keep them on track. With this in mind, we started implementing the Path to Excellence program, to help both new and experienced 'Dominoids' develop new skills and deepen their understanding of the Domino's business.



LOOKING AHEAD

With our sights firmly ahead, we continue to focus on service and the quality of our product.

We remain on our path of growth and continue our search for future Franchisee Partners, with full knowledge that, in the current economic climate, investment is both an exciting and challenging prospect for potential Franchisee Partners. For existing Franchisee Partners, we are there every step of the way, supporting them to succeed with local recruitment and sales campaigns and ongoing development opportunities.

BELUX FRANCHISEE SPOTLIGHT

"If you value quality and service as a team, you can deliver on this together."

– HUSSEIN MAMLOUK

Hussein Mamlouk has carved an impressive career within Domino's. Within 15 years at Domino's, he has moved from a pizza maker to a Franchisee Partner with eight stores.

This incredible achievement was borne from hard work and a clear focus on providing excellent quality and great service.

Hussein is most proud of the success he managed to make of his first store, Gent Overpoort. "This was not an easy store to take over and there were some big challenges waiting for me," he recalls.

Hussein persevered, and his disciplined approach turned this store into a success story. With this solid base, he was then able to expand his role as a Franchisee Partner at Domino's – and somehow find the time to remain a devoted partner and father of two young children.

Besides hard work, teamwork is a key element of Hussein's approach. "It is important to recruit good staff and be a good people manager," he said. "If you value quality and service as a team, you can deliver on this together," he adds.

Hussein has intentionally built a diverse team, recruiting people from different backgrounds and with different competencies, with whom he can work on the success of the stores – from small operational details to big future plans.

He sees himself as a coach for his teams. By helping team members grow and prosper and putting together work groups that function perfectly together, Hussein can continue to provide quality service in his stores.

"With multiple stores, it is important to be accessible to employees and maintain contact and attention with all stores and colleagues," Hussein said.

HIS STORES

1. Ghent Overpoort
2. Ghent Sint-Pieters
3. Harelbeke
4. Kortrijk Meensepoort
5. Menen
6. Ghent Rooigem
7. Dampoort
8. Wetteren

The more stores, the more difficult this becomes. Hussein stays involved with all his stores and knows everyone who works for him. He closely follows the numbers, productivity, marketing and events in the region.

He hasn't forgotten the craft of making pizza either, and is often found standing at the dough table making pizzas himself.

"Once you've opened a store, make sure your team has a stable and pleasant working environment, with the right people in the right places."

While experiencing positive growth, there have been recent challenges for Franchisee Partners like Hussein. "A key challenge in the past year was rising energy costs and, of course, the pandemic," he said.

In response, Hussein applied what he had learned from previous experiences. For example, during the COVID-19 pandemic crisis, he learned a lot about how to put contingencies in place and how to proactively organise his business.

From that, he feels more prepared to deal with unforeseen circumstances, like rising energy prices, with confidence and professionalism. Hussein takes nothing for granted and keeps a cool head – fighting for his stores and making smart financial and operational choices.

If there is one lesson he would like to pass along to other (aspiring) Franchisee Partners around the world, it is: "Believe in yourself and focus on the positive aspects of your profession. Go for your goals!" he adds.

"Once you've opened a store, make sure your team has a stable and pleasant working environment, with the right people in the right places."

Sage advice from a successful Franchisee Partner.

HUSSEIN'S ACHIEVEMENTS

HIS PATH

2008 Started at Domino's as a pizza maker, then became assistant manager

2010 Store Manager Domino's Antwerp Kiel

2011 Store Manager Domino's Antwerp Kiel and Antwerp Center

2013 Takes over franchise of his first store Domino's Ghent Overpoort

2016 **January** | Takes over franchise of his second store Domino's Kortrijk Waterpoort
June | Opens new store Domino's Ghent Sint-Pieters, his third franchise

2018 **October** | Opens fourth store, Domino's Harelbeke
November | Opens fifth store Domino's Kortrijk Meensepoort

2019 **June** | Opens sixth store Domino's Menen
December | Opens seventh store Domino's Ghent Rooigem

2021 Opens eighth store Domino's Ghent Dampoort
Sold Kortrijk Waterpoort store

2023 Takes over franchise of Domino's Wetteren.
He currently has eight stores.

HIS AWARDS

2015 : Club Million
2015 : Rolex Award
2015–2016: Growth Sales Award
2016 : Club Million
2017 : Rolex Award
2019 : Recognised for highest number of online orders
2020 : Multi-Franchisee Partner Award
2020 : Dominator Award
2020 : Club Million

YEAR IN REVIEW

THE NETHERLANDS

By working closely with our Franchisee Partners and anticipating their needs in the market, we were able to focus on franchise profitability this year.

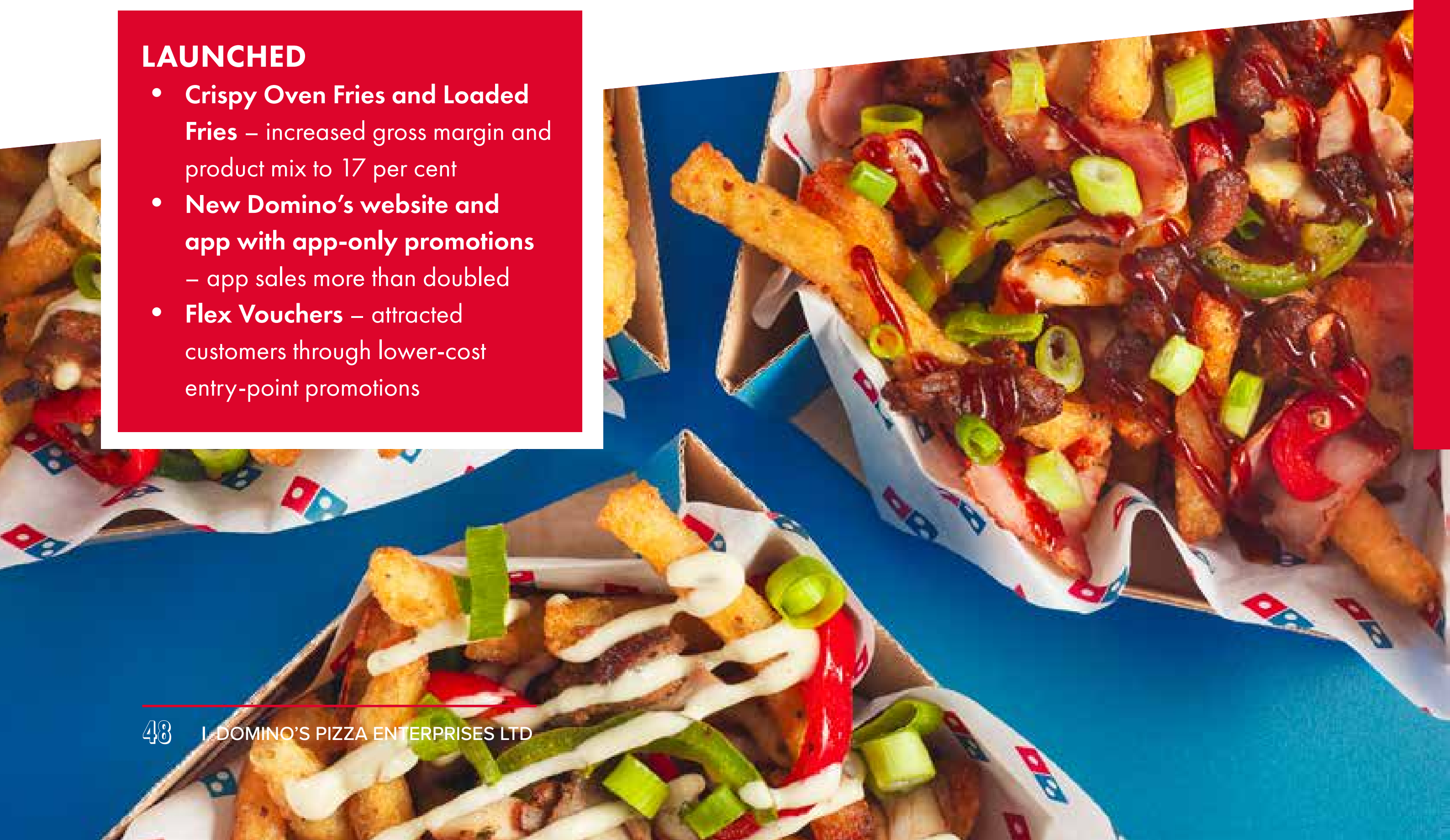
We saw high participation rates in local campaigns and were able to continue to grow in store numbers – passing the magic '350' milestone this year.

Domino's in The Netherlands not only expanded our store count, but also our menu, with the introduction of Crispy Oven Fries and Loaded Fries. This was an example of our value 'Crush Convention' and our customers responded to this extension with enthusiasm. As many as one in ten orders included Crispy Oven Fries as a side dish after we launched the new product.

During our Mega Week in March 2023, we reached the double-achievement of a national sales record, and the highest Product Quality (PQ) and Net Promoter Score (NPS) score ever. We are proud of the collective efforts of our colleagues across the country, who continued to attract new customers and impress their existing ones, enabling Domino's to remain the dominant delivery expert in the market.

LAUNCHED

- **Crispy Oven Fries and Loaded Fries** – increased gross margin and product mix to 17 per cent
- **New Domino's website and app with app-only promotions** – app sales more than doubled
- **Flex Vouchers** – attracted customers through lower-cost entry-point promotions



NEW HOT AND FRESH OFFERINGS

Our diverse menu continues to offer a wide range of choice for Domino's customers. Over the last financial year, we surprised loyal customers by bringing back the Cheeseburger pizza and the Double Dutch pizza, and introducing a delicious range of new products.

PROMO Q2

- Six pizza varieties with double toppings
- Loaded Fries Chicken Kebab
- Loaded Fries Spicy Chicken Kebab
- Loaded Fries Pulled Pork

PROMO Q4

- Pizza Spicy Bacon Cheeseburger
- Pizza Veggi Chickenburger

PROMO Q3

- Pizza Honey Mustard Pulled Pork
- Pizza Sweet Smokey Chicken
- Pizza Spicy BBQ Pulled Pork
- Popcorn Chicken
- Coco Churros
- Thick Shake Cherry

PROMO Q1

- Crispy Oven Fries
- Pepperoni Cheese Pops
- Ultra Cheese Pops
- Spicy Cheese Pops
- Pizza Frietzza

HIGHLIGHTS

Launched online training platform DomiKnows
Headquarters staff can access free learning modules and training.

Provided an annual volunteer day to each member of staff at headquarters
Donate a day of their time to a worthy cause in their community.

Held regional meetings for our Domino's Next Talent Network (DNTN)
Engagement with store employees about topics affecting their day-to-day Domino's life, such as work-life balance, diversity and team spirit.

LIVING DOMINO'S VALUES

HELPING OUR PEOPLE TO GROW AND PROSPER

We've been able to contribute to local communities through a partnership with volunteer organisation Boterhamsters. A sad outcome of rising prices for families is that more children are arriving at school without having eaten a substantial breakfast. In March 2023, all stores in Rotterdam, working alongside Boterhamsters, delivered breakfast to schools for a day. They also donated a portion of sales to local schools.

Another collaboration this year was with JINC foundation, whose mission is to create a society where every child gets a fair chance. Together, we have worked for a better future for many young people, with 325 young people visiting our stores for one-day internships. Domino's colleagues also provided job application training in schools, reaching more than 100 students.

SUPPORTING OUR FRANCHISEE PARTNERS TO GROW THEIR BUSINESS

We opened 16 stores in the Netherlands this year, bringing our total to 362 stores. These stores were opened by colleagues with extensive Domino's experience. Most satisfying was seeing our people grow and prosper, with all the new stores opened by Franchisee Partners who have grown into the role from within the organisation's ranks of pizza delivery drivers and area managers.

To support the success of these new store openings, we developed exciting marketing materials and sales campaigns, featuring a new design to capture the attention of local communities.

We also updated the pricing system using pricing templates (low, medium, high), providing flexibility to Franchisee Partners to tailor their pricing tiers to balance reasonable profit margins with customer retention and growth.

RECORD BREAKERS

HIGHEST SALES (MONTH)
March 2023.

FASTEST DELIVERY TIME (WEEK)
11 – 17 July 2022
21 minutes and 4 seconds

FASTEST DELIVERY TIME (DAY)
13 July – Noordwijk
6 min. and 56 sec.

HIGHEST SALES DAY RECORD
Enschede West
28 August

LARGEST ORDER
2500 pizzas
Leiden

RECRUIT AND RETAIN THE NEW WAY

Cooperation and communication with our Franchisee Partners are our most effective strategies for continuing to succeed in this market. We are seeing high participation and success rates with our LSM360 platform (Local Store Marketing 360), which enables stores to run high-impact local marketing campaigns to support their store openings and sales campaigns.

We responded to staff shortages with a focus on recruitment and retention, using non-traditional methods to attract people to our Domino's family. Through a promotion we gave away a pair of customised sneakers in Domino's style to new employees. In a recruitment drive via social media platform we introduced a new way of applying for a role via WhatsApp, we saw a 50 per cent jump in application numbers, reaching an impressive 15,000 website visitors in one week, and receiving 2,565 new applicants over three weeks.

Significant effort was channeled into recruiting delivery drivers and providing meaningful training and development opportunities for all our Domino's staff. Planning is underway now to set up the online Path to Excellence training.

We held another Supervisor Bootcamp, an opportunity to discuss key business themes important for our team leaders, including work-life balance, providing and receiving feedback, and local store marketing.

DOMINO'S FOR GOOD ACROSS THE NETHERLANDS

Last year we worked hard on our Domino's for Good program, which contributes to our goal of being the most sustainable dominant QSR by 2030.

As part of the broader 'Benelux' region's "Round Up For Charity" work, our stores in The Netherlands contributed to the donation of more than €33,000 to the refugee organisation UHNCR.

In February, we held a fundraiser for GIRO555, raising money for the victims of the earthquakes in Turkey and Syria.

INVESTING IN SUSTAINABILITY

Domino's has our eyes set firmly on a sustainable future. In The Netherlands, we are proud that:

- Last year, 5.8 million of our deliveries were made via E-bikes and E-scooters
- More than 85 per cent of our vehicles are electric
- With Vehicle Selection technology, we can optimise our delivery services

STUNTWEEK
Investing extra attention in our services, by conducting PQ workshops in the stores

PROJECT GOLF

Introducing new trays for our dough, to maximise the potential dough per delivery

THE NETHERLANDS FRANCHISEE SPOTLIGHT

"We enjoy challenging each other. It should be fun to work at Domino's."

– NATHAN OOSTERHOF

Nathan Oosterhof developed a passion for Domino's while working as a pizza maker and Shift Runner during his study. After graduating, he worked for a bank for five years... but he couldn't let go of Domino's and returned.

Nathan opened his first store as a Franchisee Partner in 2020 and quickly experienced rapid growth. Nathan says he was able to achieve this by working extremely hard, but also by investing in his team.

"I find it important to be part of my team and to discuss everything," he said.

"By working well together, successes can be achieved".

Nathan informs his team in detail about why they do what they do, making them aware of the value of product quality and good delivery times.

"There's always room for a bit of healthy competition."

"The team has the drive to complete everything they take on to the best of their ability and they keep that drive in their work."

The bar is set high in Nathan's stores.
"If we set the goal to achieve an EDT in under 18 minutes, then the team tries to stay under 16 minutes," he said.

"By setting goals every day and trying to exceed them, the team continually gets the best out of their efforts".

"There is also plenty of room for fun and, as colleagues, we enjoy challenging each other. It should be fun to work at Domino's."

The current managers in Nathan's stores have all worked with him and were trained by him in his first store in Wolvega.

"This makes it easy for all my Store Managers to share knowledge and experiences with each other."

HIS STORES

1. Wolvega
2. Oosterwolde
3. Burgum
4. Bolsward

In addition, Nathan is still present in his stores to assist and coach on site. "Even if things are going well, there is always room for improvement," he said.

Looking back on last year, Nathan is proud of the growth he experienced with opening new stores, but also that the service and product quality remained excellent. This was reflected in the awards Nathan's stores won at the annual awards.

"It means working hard, but with a good team and the right mindset, anything is achievable."

One challenge that accompanied the addition of stores for Nathan was 'the art of letting go'. "The more stores you open, the more you have to divide your attention."

"In the first few weeks after opening, I was almost full-time in the new store, which can be difficult for the teams in other stores."

To maintain the level of support required in all his stores, Nathan ensures he stays in close contact with his team members and is available remotely to his team as much as possible.

"As a Franchisee Partner, it is important to always be there for your people."

Nathan is confident the upcoming year will be a fun one with two new stores that have only recently opened – these stores will be competing with each other for a debut award.

"I am already looking forward to seeing the passion of my teams as they work towards achieving this award," he said

"I'm here to keep our focus on steady growth – supporting the teams, focus on personal growth, even better quality, sales growth and order growth."

Nathan had this advice for prospective Domino's Franchisee Partners: "If you are going for a future Domino's franchise, go for it 100 per cent."

"If you know what you are doing it for, then you are able to give 100 per cent – set good goals for yourself and the team and give everything to achieve them," he added.

"It means working hard, but with a good team and the right mindset, anything is achievable."

NATHAN'S ACHIEVEMENTS

HIS PATH

2012	Started working as a Pizza Maker in Heerenveen
2012–2014	Worked in different stores as a Shift Runner
2014–2020	After his graduation, Nathan worked at a national bank for five years
2019–2020	Returned to Domino's, in a preparation process to start franchising
2020	**December** | First store as Franchisee Partner, Domino's Wolvega
2022	**June** | Opened second store, Domino's Oosterwolde
2023	**April** | Opened third store, Domino's Burgum **June** | Opened fourth store, Domino's Bolsward

HIS AWARDS

2020 : Record opening sales, Wolvega
2021 : Topshop debut – Manager of the Year, Wolvega
2022 : Shift of the Year, Wolvega
2022 : Best Shift category 2, Wolvega
2022 : Topshop mature, Wolvega
2022 : 100% HTC, Oosterwolde
2022 : Topshop debut 2nd place, Oosterwolde

"As an entrepreneur, you really are part of the local community, and I feel it is important to be approachable."

– YOUS SYED

Yous began her career at Domino's as a pizza maker in one of the stores in Rotterdam. There, she immediately developed an enthusiasm for the brand, the culture within the company, and the product.

''I expressed my ambition to become a Franchisee Partner myself very early on," Yous recalls.

"The Franchisee Partner I worked for saw how entrepreneurial I was and helped me develop my skills," she said.

"At 18, I started a hospitality education and was given the opportunity to start as a Store Manager at Domino's."

"Together with my team, I achieved great results, but I wanted to learn even more – that was possible in a position as regional manager."

"I coached several teams in different stores and learned to distribute my attention over several locations and people."

"Once I had mastered that, I knew I was ready for my own store."

According to Yous, one of the most important skills you need as a Franchisee Partner is social skills.

''It is important that you are socially strong," Yous said.

"First of all, because you are going to manage a team that is co-responsible for the success of your store – without your people, you are nowhere," she added.

"As an adult, you often work with young people and have to be able to empathise with their circumstances and needs."

HER STORE

1. Schoonhoven

"In the end, it's our customers who determine how successful we are."

"The team feeling is very important to me. I'm always considering what gets them excited and what they need help with."

"For that, I always go the extra mile."

"I make it fun for my staff to achieve good results, so they can win cool awards with achievements in service and quality."

Those same social skills also help Yous in her success as a local entrepreneur.

''I'm based in Schoonhoven, a small town where a lot of people know each other," Yous explains.

"As an entrepreneur, you really are part of the local community, and I feel it is important to be approachable," she said.

"For example, I get involved by sponsoring local clubs and events. I also celebrated my birthday with residents of Schoonhoven through a free pizza hour – because when it's your birthday, you have to celebrate!"

Yous also remains committed to local marketing in the region and is convinced the investment in local visibility is something that will pay off in the long run. By taking advantage of the marketing opportunities offered by Domino's, Yous has more time to focus on coaching her team and providing excellent service and quality for her customers.

She achieves that focus on service and quality by constantly thinking from the customer's perspective.

"I encourage my team to always think like the customer," Yous said. "What does the store look like? How is someone being spoken to? What's the quality of the product being delivered?"

"In the end, it's our customers who determine how successful we are," she added.

"We have to do everything we can to give them the best experience possible."

And Yous's approach if her store does receive a complaint? "Then we should be glad that this customer speaks up," she asserts. "After all, that complaint gives us a chance to improve ourselves."

"Being an entrepreneur also means daring to be critical of yourself."

After being a Franchisee Partner for more than a year now, Yous is already thinking about the future, as she describes what it holds for her. "I would like to open my second store in the near future," she beams. "Right now, I'm looking for a good Store Manager for my current store, so I can focus on opening a second."

"Ultimately, I want to build my own Domino's empire."

YOUS'S ACHIEVEMENTS

HER PATH

2009 Started at Domino's Rotterdam Zuid as a Pizza Maker and quickly developed into a Shift Runner

2014 Started as a Store Manager at Domino's Rotterdam IJsselmonde

2015 Store manager at Domino's Zwijndrecht and Domino's Hendrik Ido-Ambacht

2020 Regional manager at Domino's Sliedrecht, Papendrecht, Alblasserdam and Ridderkerk

2022 Opened first store as a Franchisee Partner in Schoonhoven

HER AWARDS

2017 : Topshop Zwijndrecht – April, May, June, August
2018 : Rolex challenge
2019 : Fastest Pizzamaker contest: 6th place
2019 : Topshop Hendrik Ido Ambacht: October
2019 : Shift of the Year
2019 : Hygiene and Training Check (HTC) Award
2020 : Topshop Hendrik Ido Ambacht – January, February, March, June
2020 : 5-star OER
2022 – 2023: Topshop Schoonhoven (April 2022–April 2023)

YEAR IN REVIEW

DENMARK

In June, Domino's Pizza Enterprises Ltd announced the Company intended to exit the Danish market, which it acquired in 2019 from receivership.

The previous owners breached public trust with food safety violations, highlighted in national media. With Domino's Pizza Enterprises Ltd's track record, management had expected to repair the reputational position.

In August 2022, Domino's Denmark launched our Clear the Slate campaign. This represented a genuine apology to the Danish public, following the food scandal attributed to the previous owners. And it promoted Domino's – showcasing the notable advancements in operations since Domino's Pizza Enterprises Ltd (DPE) assumed brand rights.

The campaign's central idea involved self-rating our past performance with a one-star review on Trustpilot. This campaign featured CEO Kellie Taylor, who appeared in our debut television commercial – openly sharing her honestly, humour and authenticity.

Within a three-month period, Domino's Denmark experienced a remarkable six per cent improvement in brand perception, and enjoyed valuable, positive public relations coverage and high brand visibility.

The team in Domino's Denmark made important achievements for the Danish market in FY23.

PROUD OF OUR ACHIEVEMENTS

100 PER CENT E-BIKE FLEET
Meeting the increasing demand for fast delivery, and environmentally-friendly solutions.

LAUNCHED SUCCESSFUL MOBILE APP
A first for the Danish market

INCREASED STAFFING LEVELS
to accommodate higher volumes, and adapted staffing to ensure prompt and reliable deliveries to our customers.

Europe CEO Andre ten Wolde paid tribute to the efforts of Domino's Denmark's leadership and team members.

"Our team in Denmark consistently delivered some of the highest quality operations not just in Domino's, but in the QSR industry," Mr ten Wolde said.

"Every store consistently had a 'smiley' (awarded by local authorities for high quality food safety and hygiene) and delivery times and product quality were second-to-none," he added.

"While our team's efforts won back some customers, and created loyal fans, the legacy of damage from the previous ownership was ultimately too great for us to overcome in the foreseeable future."

"We are immensely proud of our team's hard work, and I am only disappointed that we will not be able to share the joy of Domino's experience, and the opportunities that creates for team members."

YEAR IN REVIEW

GERMANY

DELIVERING VALUE

At the beginning of this fiscal year, Germany faced unprecedented challenges: food cost inflation driven by the Ukranian conflict, labour cost inflation driven by mandates from the new government, and energy cost inflation that hasn't been seen in a generation.

In this very difficult environment for our Franchisee Partners, we were bold in our action, making necessary price adjustments but also ensuring that we maintained best-in-class value for our customers.

Some of the highlights over the past year, included watching our talented young Store Managers who have become Franchisee Partners and have celebrated their first successful year in the business.

A slice of our year in Germany:

Launched on new marketplaces Uber Eats, Wolt

Winning the best international restaurant chain at the Lieferando Awards (for the second time)

Successful Veganuary campaign, and increasing our ProVeg Ranking from sixth to third place, for the most vegan-friendly restaurant chains (2023)

NEW PRODUCT
Chicken Döner Pizza

Extension of the Domino's DUO

NEW PRODUCT
Calzini

NEW PRODUCT
Churros

Launch of new Domino's app (July 22)

Mix & Match flex bundles

DRIVING OUR SUCCESS IN GERMANY

Maintaining strong value through price increases is difficult, but we succeeded by extending our very popular Domino's Duo deal from two to four days per week, and we launched Mix & Match bundle deals leveraging our new flex voucher technology. We've also encouraged adoption of our upgraded app.

Beyond this we continued to delight our customers with excellent product, service and image, maintaining the highest product and Net Promoter Scores in Domino's Pizza Enterprises Ltd.

STAYING AHEAD OF THE CURVE

Our stores are geared up to deliver exceptional service and value now and into the future. We are embracing new technology and improved instore operations to reduce delivery times and drive customer satisfaction through a high focus on product quality.

Our stores are geared up to deliver exceptional service and value now and into the future.

SOME OF OUR TECH PROJECTS:

- Using TANDA helped us improve rostering with increase SpmH[1] in average to 45€/h
- Revamped Domino's App with new functions and offers, as part of broader DPE project
- First order kiosk and testing pizza topping robots in partnership with PICNIC in Berlin

GERMANY

STORE OPENINGS

This Financial Year we opened 25 stores. We experienced a good mix of new Franchisee Partners and existing Partners, including some Franchisee Partners who have provided Store Managers with the opportunity to develop into Franchisee Partners. Multi-unit owners (MUOs) who have expanded their store portfolio and single unit owners who have become MUO through additional stores. We were also pleased to welcome our first candidate into the High Leadership Mentality Programme.

Following our grow from within approach, we have strongly focused on motivating managers to open their own locations. Through partnering with potential Franchisee Partners from within our business, we provide those with the experience of, and passion for the brand to start their new store adventure much easier.

Our partners are very satisfied with our marketing activities and excited to reach more customers, so much so that they overwhelmingly agreed to increase their investment in the National Advertising Fund.

We are particularly proud of the fact that we scored above average in the global survey compared to the franchising benchmark.

RECORD BREAKERS

Domino's Germany is proud that every week, between one and five of our stores are regularly among the 25 fastest stores in the world. We've hit some other great records too:

REGENSBURG STORE

1 JANUARY 2023 DAY RECORD

€14,912.34

AWUS[2] RECORD

€66,065.37

2 APRIL 2023
EDT RECORD
HAMBURG HAFENCITY

8.02MIN

1) SpmH = Sales Per Man Hour (or SPMH or sales per labour hour)
2) Average Weekly Unit Sales

LIVING OUR VALUES

Beyond the sales records, there were several other initiatives we are proud to have made happen this year.

Domino's Pizza Germany felt a strong urge to use our power as a global company to support our local communities in need. Malnutrition is a common issue among pupils in Germany, so we started an initiative at a school near Berlin that provides breakfast once a week. Our next goal is to expand the program, and with the help of Domino's Round-Up-For-Charity donations, we will be able to support additional school classes in more communities.

Our pilot for **school breakfasts** was an important initiative within Germany. Beyond our borders, we sent donation support to the communities of Turkey affected by the earthquake.

Do the right thing because it's the right thing to do is part of our Domino's mentality, therefore we were very pleased to receive our first Domino's for Good Award in recognition of the fundraising work.

Much focus has been on sustainability initiatives. We are now using energy trackers to pinpoint exactly where and how we can reduce energy consumption in our stores. We have introduced a new oven hood and exhaust system, designed to save energy and recoup some spent energy with heat recovery. We are also excited to start the testing phase of a reusable pizza box using the sustainable packaging system Vytal.

We continue to **help our people grow and prosper** through employee engagement activities that inspire greatness and cohesion.

We live equality. The Domino's Germany team participated in the CSD as part of our approach to promoting diversity. CSD is a day of celebration, commemoration, and demonstration for the LGBTQIA+ community.

We also held successful Azubi days to share the Domino's vision with the next generation of pizza people. More than 40 apprentices from across the Domino's Germany business gathered with more experienced Dominoids to exchange ideas about the future of Domino's, and get inspired about what you can achieve in a career at Domino's.

GERMANY

RISING TO THE CHALLENGE WHEN IT COMES TO NEW STORE BUILDS

Domino's Germany faces the same challenges that are impacting small businesses across the country. Rising inflation and energy prices plus other escalating costs within the construction industry all impact our development plans.

Additionally, the combination of rapidly increasing interest rates and a minimum wage increases dampened – but did not eliminate – the appetite of Franchisee Partners to expand. 48 per cent of Franchisee Partners want to invest in new stores*.

Our approach during this time has been consistent engagement with our Franchisee Partners and ongoing negotiations with suppliers. We accept the challenge to find innovative solutions to support Franchisee Partners to expand, seeking alternative and effective materials for construction, and working to limit cost increases wherever possible.

This is not the first time our business has faced challenges. We are proud that we have risen to the challenge once again and look forward to an even more exciting year ahead.

* (Source: Franchise Survey)

GERMANY FRANCHISEE SPOTLIGHT

"My daily highlight is seeing my team grow and that they are starting to get as excited about the business as I am."

– FELIX BECK

Felix Beck started as a Domino's delivery driver while still at school. He quickly progressed through every available position and the Domino's Academy school.

"Domino's became my family and I started to grow that family," he said.

"I opened my first own store in Neustadt an der Weinstrasse in May 2022."

Felix considers one of the highlights of his time as a Franchisee Partner opening the 400th store in Germany and to watch his team develop the same passion for what they do.

"My daily highlight is seeing my team grow and that they are starting to get as excited as I am," he laughs.

Felix takes an active role in ensuring his team continue to bring that passion and value through product quality and delivery times.

"We are living the customer-first approach."

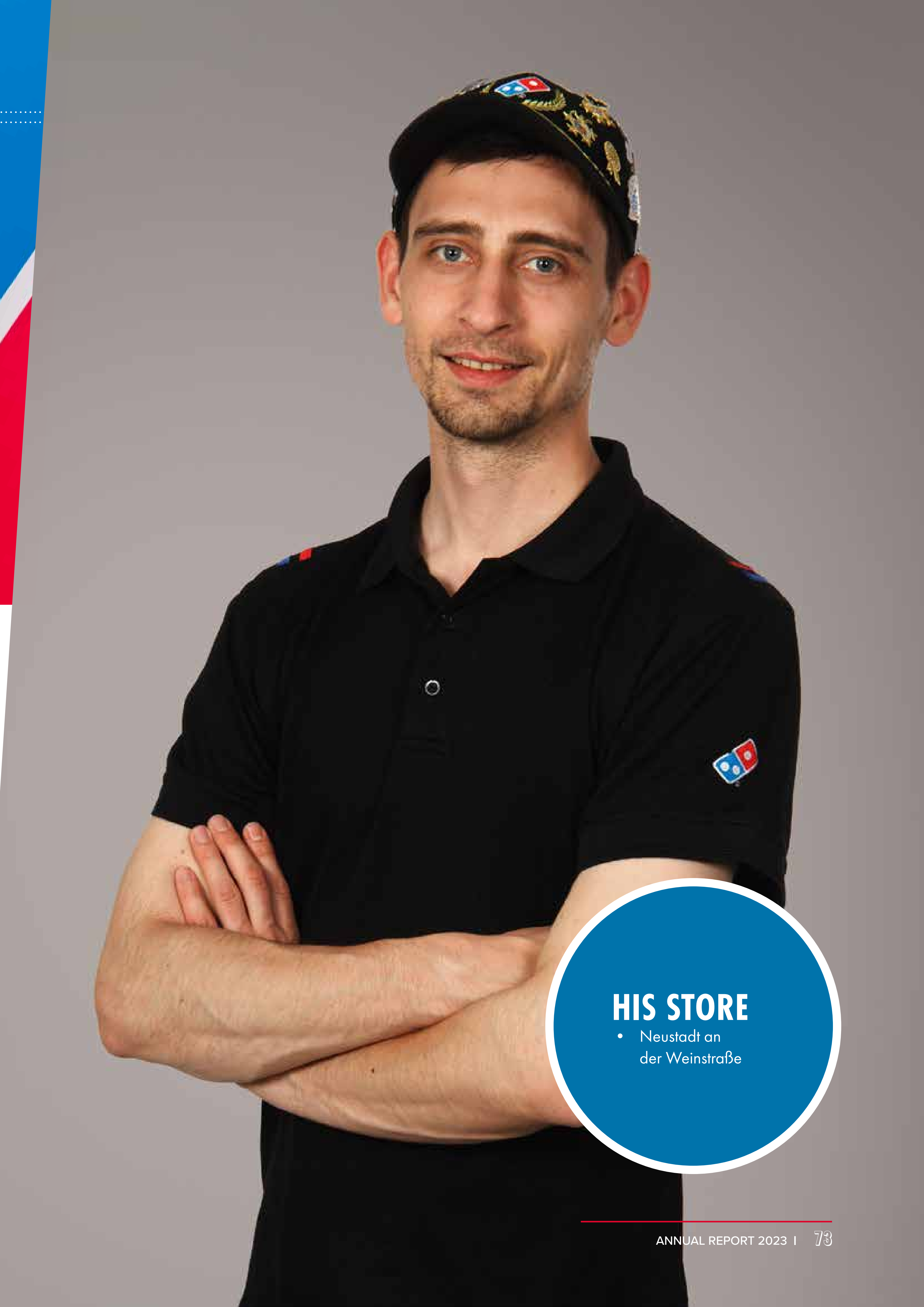
"We are part of the 25 Min EDT guarantee* to show our customers how fast we are and that if we fail, we make up for it.

"We've set ourselves high goals and complete little challenges to achieve them," he said.

"We do self OERs every week to see what needs to be improved."

"My experience is that it takes many small steps to achieve great success."

*The 25 Min EDT guarantee is a promotion that promises a pizza to be safely delivered within 25 minutes.



HIS STORE

- Neustadt an der Weinstraße

"You should always dream big!"

"For us, that means constantly taking on new challenges and getting even better in all areas."

When talking about what moment Felix is most proud of from his time as a Franchisee Partner, he takes a breath and some time to gather his thoughts. Evidently, there is quite a long list of such moments!

"Our amazing store opening, reducing our EDT from 25 Min to 17 Min while increasing all other KPIs, our four 5 Star OERs, and the 1 Euro Party with a new record of pizzas sold within three hours in Germany," he shares.

"The reason I won the pizza competition at the rally was because I did a lot of training with our staff to make them aware of the proper weight of ingredients."

"I'm proud of training a new team and to achieve such a good result within one year is brilliant."
Felix is not one to rest and already has plans for the next year.

"We are going to try and set a new AWUS record for Germany, and my personal goal for the next year is to open a second store."

"You should always dream big! My goal is to open 20 stores within the next 10 years."

FELIX'S ACHIEVEMENTS

HIS PATH

2013 Started in Domino's as a Delivery Expert

2016 Became Store Manager

2019 Became Area Manager

2022 Opened store in Neustadt an der Weinstrasse to become a Franchisee Partner

2023 Set new German record of pizzas sold in three hours

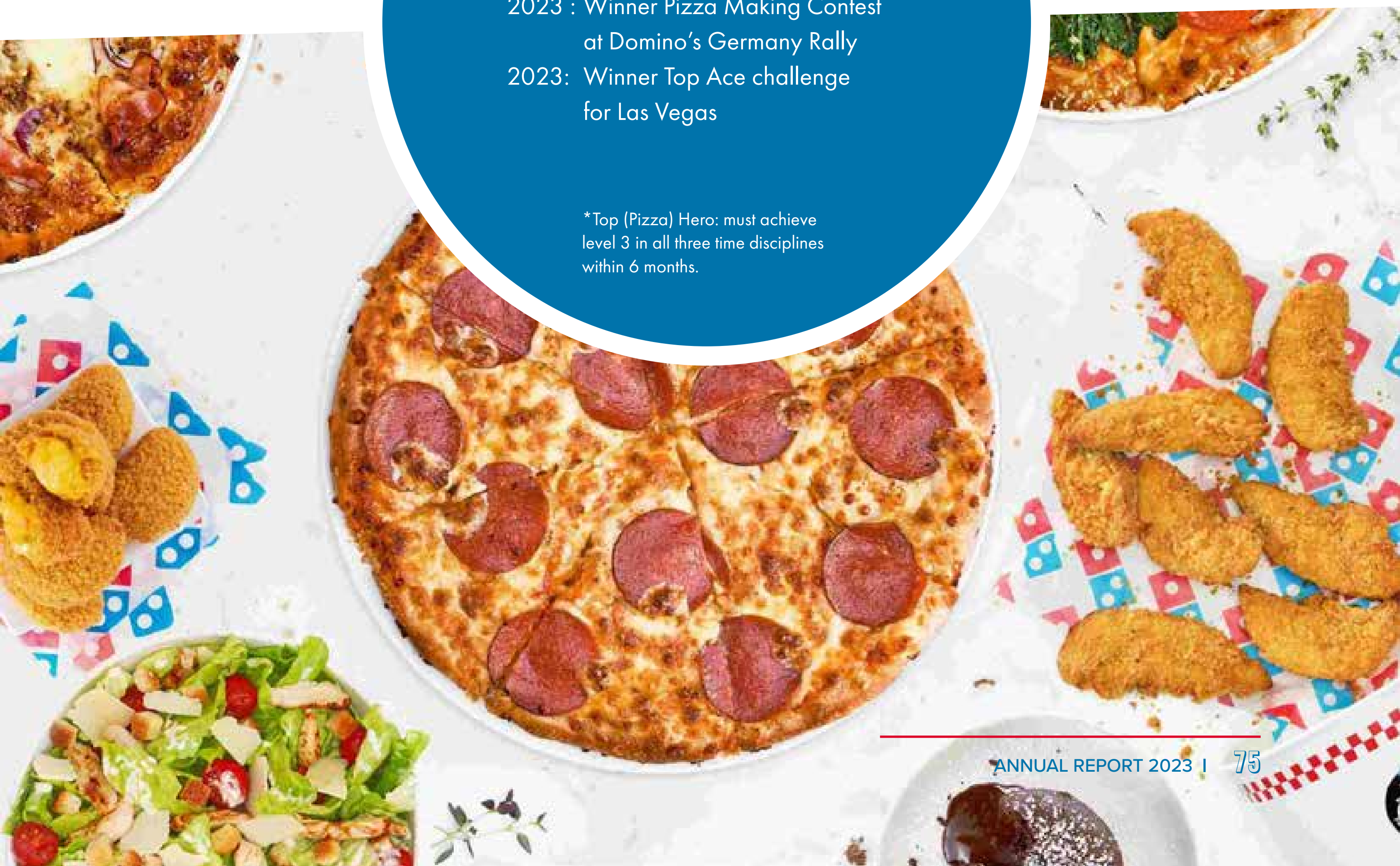
HIS AWARDS

2022 : 3rd Top Ace* in Germany

2023 : Winner Pizza Making Contest at Domino's Germany Rally

2023: Winner Top Ace challenge for Las Vegas

*Top (Pizza) Hero: must achieve level 3 in all three time disciplines within 6 months.

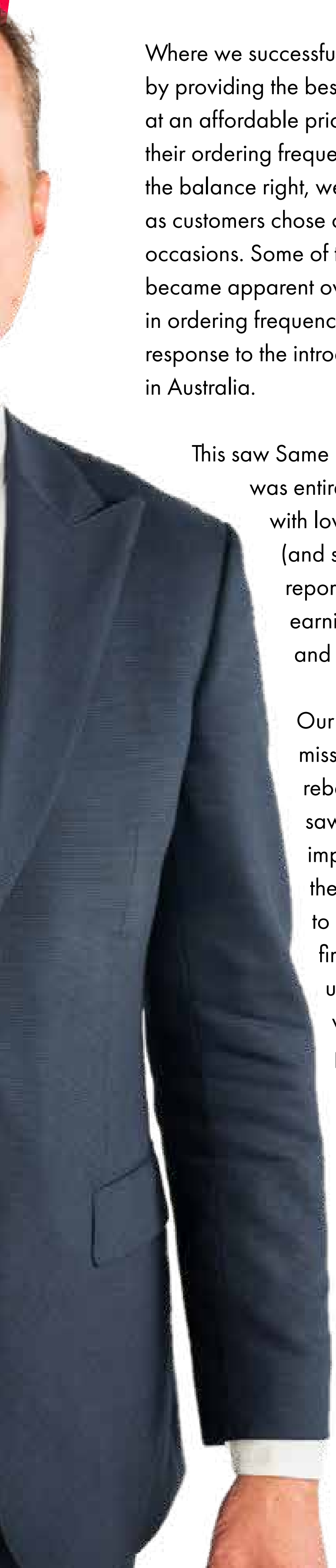


CEO'S REPORT APAC

"REBALANCING THE VALUE EQUATION IS NOT JUST ABOUT PRICE."

The Value equation has been the key to Domino's success throughout our history, and this Financial Year was no different.

Typically, Domino's offsets inflationary increases in the cost of goods through enhancing our efficiency for delivery and carry-out orders, as well as through small menu price increases to avoid as much as possible affecting our loyal customers.



However, as our Asia-Pacific markets experienced rapid and sizable increases in the cost of labour, ingredients and packaging, we needed to pass through price increases to our customers in a size and speed that has not been our usual approach.

Where we successfully balanced the value equation, by providing the best product, service and image, at an affordable price, customers rewarded us with their ordering frequency. Where we did not get the balance right, we saw a decline in frequency as customers chose other quick service restaurant occasions. Some of the customer response only became apparent over time, such as the deterioration in ordering frequency by delivery customers in response to the introduction of a Delivery Service Fee in Australia.

This saw Same Store Sales growth (-1.4%) that was entirely through increasing ticket, with lower order counts through stores (and subsequently warehouses). As we reported mid-year, this affected the earnings of both Franchisee Partners and Domino's Pizza Enterprises Ltd.

Our ability to identify these missteps, and address them by rebalancing the value equation, saw positive signs of customer count improvement towards the end of the second half, albeit insufficient to offset the earnings decline in the first half. Domino's APAC delivered underlying EBIT of $172.6m, which was 16.3% lower than the prior year.

Rebalancing the value equation is not just about price, but also relies on improving the product, service and image we present to customers. I'm very pleased with the work delivered in this Financial Year to do so.

New product development was stronger compared to the prior year, and continues to strengthen, with launches including the Burger Pizza range (first in Australia/New Zealand), one of our most successful limited time offers in recent history. Our newest product, the My Domino's Box, first launched in Japan, is designed to target the single customer occasion, to give QSR customers more choice. But in an exciting development, stores are increasingly seeing customers choose this product (which includes a mini pizza and two sides) as part of a family, or office gathering, order.

Our teams always look to improve our world-class operations. This year we moved away from pre-folded boxes in Malaysia to adopt 'flat boxing' as used in other DPE markets – which saves labour and storage. In Taiwan we closed our commissary and moved to in-store dough making – which delivers savings for stores without compromising on quality. We launched the OneDigital mobile app in Singapore, which has increased sales conversions, and will do the same in Malaysia next year. In Japan we reviewed the business model to allow for stores with a smaller footprint, without sacrificing efficiency, and in Australia we launched the first Mobile Pizza Kitchens – a full Domino's store on wheels that allows us to service communities where we may not be able to access a traditional store.

I'm proud of the Domino's team across the Asia-Pacific region, which now includes team members from our newest markets; Malaysia, Singapore and Cambodia. We speak a multitude of different languages, but each of us is focused on delivering great value, growing our order counts through superior product, service and image, and enhancing our performance for stores, Franchisee Partners, and Domino's Pizza Enterprises Ltd.

JOSH KILIMNIK
APAC CEO

SOUTH-EAST ASIA ACQUISITIONS

MALAYSIA, SINGAPORE, CAMBODIA

In August, Domino's Pizza Enterprises Ltd announced one of the largest expansions in the Company's history, agreeing to acquire Domino's operations in the South-east Asian markets of Malaysia, Singapore and Cambodia.

The three territories comprised 287 corporate-owned stores, with 240 stores in Malaysia, 38 stores in Singapore and 9 stores in Cambodia.

On announcing the acquisition, Group CEO & Managing Director Don Meij said the acquisition demonstrated the value of the Company's twin-region focus, Europe and APAC, with the Asia-Pacific now serving a population of more than 230 million people.

Mr Meij said Domino's had carefully reviewed the potential for new markets and intended to apply proven expertise from the company's other markets to accelerate performance.

While Domino's was not the largest pizza chain in any of the three markets, this was consistent with Domino's Pizza Enterprises Ltd's approach throughout its history, eventually building to the market leader in each of its established markets.

"By listening to our customers and exceeding their expectations with world-class operations – built on safe, fast, affordable delivery – we have built a leadership position and provided a pathway to success for Franchisee Partners, team members and their families."

"We have built a leadership position and provided a pathway to success for Franchisee Partners, team members and their families."

Mr Meij said Domino's intended to do the same in these newest markets.

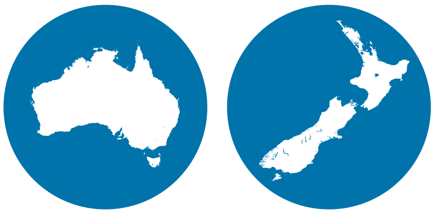
Ringo Joannes, previously CEO of the Company's Belgium / Luxembourg business, was appointed to lead the new markets in Malaysia, Singapore and Cambodia, reporting through to Josh Kilimnik, CEO APAC.

The acquisition agreement provided for an initial acquisition price of 660 million Malaysian ringgit (equivalent to A$214m), as well as an earn out payment to be determined over the next two to three years based on earnings – up to 440 million Malaysian ringgit (equivalent to A$142m).

Domino's sees the long-term potential of these markets as capable of expansion to more than 600 stores.

Mr Kilimnik said the company intended to use lessons learned from Japan and Taiwan to target growth – including leveraging the introduction of Domino's digital, operational, franchising and marketing expertise to grow unit sales and unit economics, and ultimately accelerate store expansion.

You can read more about the performance of these newest markets from page 132.



AUSTRALIA & NEW ZEALAND HIGHLIGHTS

PEOPLE HIGHLIGHTS FOR OUR AUSTRALIA AND NEW ZEALAND TEAM

We recognise that Domino's is only as strong as the people who make it happen. That is why investing in the growth and development of our people remains at the forefront of everything we do.

This year, Domino's Australia and New Zealand welcomed several key appointments and continued our commitment to helping our people grow and prosper.

ANZ APPOINTMENTS

- Kellie-Anne Drever as Domino's Head of Franchise Operations for Australia
- Greg Steenson as Head of Corporate Operations for Australia
- Rod Chapman as ANZ Chief Information Officer (CIO) for the ANZ Business
- Daniel Hawkins as New Zealand General Manager
- Rhiannon Frater as Domino's ANZ Chief Communications and Corporate Affairs Officer
- Welcomed Allan Collins back to the Domino's business after a brief retirement as ANZ Chief Marketing Officer (CMO)
- Importantly, four of these senior appointments were made internally, in line with Domino's value to help people grow and prosper

40% WOMEN ON THE ANZ LEADERSHIP TEAM

RECORD NUMBERS AT ANZ RALLY 2023

In February/March, Domino's ANZ held its annual Rally event on the Gold Coast. With a record attendance of more than 1,700 attendees from across Australia and New Zealand for two days, Domino's welcomed Franchisee Partners and Store Managers from both markets to come together to be inspired, motivated, and prepared for the year ahead.

CLUB 1845: OPERATIONAL EXCELLENCE

Operational excellence was a key element of the ANZ Rally with the launch of Club 1845.

To join Club 1845, a store must maintain an Average Delivery Time (ADT) of <18 minutes and a Product Quality (PQ) score of >4.5 for one whole quarter (three sequential months).

> *Since launch, we already have Australian store Altona led the way, reaching Club 1845 status for four months across Australia.*

'The Club 1845 Leaderboard' was introduced after the Rally to recognise the stores across Australia and New Zealand that are well on their way to achieving these key operational metrics and joining Club 1845.

EDT RECORD BUSTER

Domino's Australia multi-unit Franchisee Partner Daniel 'Muzz' Murray and the team at Domino's Chermside set their sights on a goal and worked hard for over a year in preparation to achieve it.

That goal was to crush convention and set a new Australian and New Zealand EDT Record.

Muzz and his team achieved this goal over a seven-day period from Monday 26 June to Sunday 2 July 2023 – safely delivering Hot and Fresh pizzas to local customers within an average time of 3 minutes and 42 seconds over an entire week!

Considered an Australian and New Zealand fast food delivery record, Daniel and his team achieved this impressive feat by focusing on being slow where it matters, and fast where it counts, and utilising innovative, smart technology that can predict a customer's likelihood of purchasing when they visit Domino's online ordering website – with up to 98 per cent accuracy.

DOMINO'S FOR GOOD

It's been a rewarding year for Domino's registered charity Give for Good, demonstrating time and again that when we join forces, Domino's people can make wonderful things happen and bring more than a piping hot pizza to local communities.

We held our second annual Domino's for Good Day for Domino's registered charity, Give for Good, which aired on national TV for the first time, and saw us raise $157,000 across Australia and New Zealand.

STORE DONATIONS BOOST FEED THE KNEAD

Domino's stores across Australia and New Zealand have also donated more than 100,000 pizzas to individuals, charities and businesses in 'knead' through the Company's Feed the Knead program since its inception in September 2020.

Feed the Knead allows individuals to nominate someone they know who is doing it tough via a form on the Domino's website. The local store will then assess this application and provide support in the form of free pizza.

Over the two-and-a-half-years since the program's launch, Domino's stores across Australia and New Zealand have donated more than 100,000 Hot and Fresh pizzas – an average of 117 pizzas a day.

CHALLENGE ACCEPTED

A key requirement for Domino's expansion is people – including having enough Franchisee Partners trained and ready to expand in the face of a competitive market, rising inflation and increasing cost of living pressures.

We are focusing on the Manager to Franchisee Partner Program to further refine and develop our pipeline of internal candidates who will eventually develop into Franchisee Partners and support the expansion of their business and DPE.

The national launch of Domino's world-class training platform Path to Excellence has provided more than 20,000 team members across Australia and New Zealand the opportunity to strengthen their leadership and communications skills, while also fine-tuning their in-store operations and business management skills.

Officially available to all team members from March 2023, the Path to Excellence App is a practical training tool to support our people to pursue, and even accelerate, their professional development goals. More than half of the Domino's Pizza Enterprises Ltd workforce in Australia are already achieving learning goals through the Path to Excellence and we look forward to more people extending their knowledge and skills through the platform.

Path to Excellence supported our recruitment drive, by adding authenticity to our announcement that we were seeking 2,000 new team members to join us and start their professional development journey with Domino's.

YEAR IN REVIEW

AUSTRALIA

Innovation was a key driving force behind Domino's Australia, often working with Domino's New Zealand to create attractive campaigns and drive sales. From introducing the new Domino's App, to a plant-based menu, and a Mobile Pizza Kitchen (MPK) tour travelling 1000kms, Domino's Australia looked to new ideas and solutions to engage with customers throughout the year.

THIS YEAR WE LAUNCHED:

DOMINO'S BURGER JOINT RANGE

August 2022 – bringing together burgers and pizza in one Hot and Fresh delivered meal. The launch was supported by a Mobile Pizza Kitchen Tour that travelled from Brisbane to Sydney handing out free Burger Pizza samples. The tour concluded at the finish line of the iconic City 2 Surf event.

PIZZA PASTA RANGE

April 2023 – combining iconic pizza flavours such as pepperoni, beef, chicken and bacon, with pasta to create six pasta products as an additional choice for customers.

NEW IMPOSSIBLE RANGE

October 2022 – a 100 per cent Plant-Based Beef for Domino's new Flexitarian pizza range. The launch was held in Sydney at the Impossible Pizza Night Party.

NEW DOMINO'S APP AND DOMINO'S WALLET

July 2022 – with opportunities for customers to access exclusive deals and free pizza.

MEGA AUSSIE MILESTONES

We reached an impressive 100,000 Feed the Knead donations
Across Australia and New Zealand, including nearly 58,000 pizzas donated in Australia over the past financial year.

Opened Domino's Pizza Enterprise Ltd's first Innovation Concept Store and Global Discovery Centre – March 2023.

Introduced Jaw Droppers
A brand-new Marketing campaign that offers exceptional value to customers and generates profitable sales and customer growth for Domino's stores across Australia. Jaw Dropper deals delivered a ticket meaningfully higher than the headline, as a result of customer upgrading their choices.

23 new Domino's stores opened across Australia in FY23 – growing the Australian store network

25 Store Managers became first time Primary Franchisee Partners

5 Mobile Pizza Kitchens operational in Australia and New Zealand, since launching in July 2022

STORE OPENINGS

A key factor that helped to accelerate the number of store openings this year was the introduction of Mobile Pizza Kitchens (MPKs) and Reduced Model Store (RMS). MPKs have allowed Domino's to expand into more regional and remote areas across Australia to open stores closer to customers. These fully equipped `Domino's stores on wheels' are proving a valuable, quality food service to pop up at community events, festivals, and critically, to support those in need during natural disasters.

CONCEPT STORE CRUSHING CONVENTION

Domino's Pizza Enterprises Ltd (DPE) was proud to celebrate the opening of our innovation concept store in March. This store – Domino's Hamilton, in Brisbane – is the first of its kind within the Domino's global network. It has been designed with precise mathematical modeling and computer simulation to optimise the operational process through store layout.

The store is already saving 20 seconds on production for every order, bringing Hot and Fresh pizza to local customers even faster. Importantly, the modelling allows DPE to continue to test and optimise the layout in other stores.

BURGER JOINT QUICKLY BECOMES AN AUSSIE FAVOURITE

Following its launch in August, Domino's Burger Joint Range swiftly rose in popularity in the Australian market.

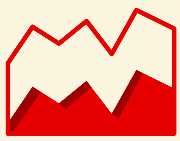
The launch was supported by a Mobile Pizza Kitchen Tour that travelled from Brisbane to Sydney handing out more than 10,000 free Burger Pizza samples and ended at the finish line of the iconic City 2 Surf event. This proved fantastic publicity, with more than five million views from 47 individual pieces of media coverage.

Promotion ran **August to October 2022**

Stores sold through **seven weeks' worth of stock in the first week**

More than half a million Burger Range Pizzas sold during the promotion

Burger Joint **Cheeseburger** was the **most popular**



Same **store sales were double digit** during the promotion

AUSTRALIA

MAKING THE IMPOSSIBLE, POSSIBLE

Domino's Australia recognises the changing needs of our customers, and the impact our products have on the environment.

In recognition of the changing food requirements of our customers, Domino's launched the Impossible Pizza Night on 24 October 2022. The star of the evening was Impossible™ Beef, the market-leading animal-free product from California-based Impossible Foods.

This plant-based sensation is now available a range of popular Domino's pizzas, including Impossible Supreme, Impossible Godfather, Impossible Firebreather and Impossible Cheeseburger. Each 113-gram serving of Impossible™ Beef is gluten free, halal and kosher-certified, and delivers a satisfying 18.8 grams of protein.

The plant-based offering quickly was positively received by customers. During the promotional period (October to December), we sold more than 160,000 pizzas featuring the new Impossible™ Beef.

We coupled this plant-based product launch with a partnership with Wavemaker to carbon-offset our digital media buying, as part of our ongoing commitment to consider the environmental impact and sustainability of all our operations.

THE GREAT RECORD BREAKER FROM THE WEST

Western Australia Franchisee Partner Darwin Jarrett started as a Delivery Expert in 2016 at Domino's Ellenbrook before being promoted to a Store Manager later that same year. He is known for his commitment to driving sales and providing a great customer experience through regular Customer Appreciation Days and Weeks. In 2018, just two years after joining Domino's, Darwin took on Domino's Kalamunda with fellow Franchisee Partner Alex Mohibi, before becoming the Franchisee Partner of Domino's Kalgoorlie that same year.

Having since introduced his brother, Isaac, to the world of pizza (with Isaac now the Franchisee Partner of Domino's Kalamunda), Darwin is the sole owner and operator of Domino's Kalgoorlie and is producing outstanding results.

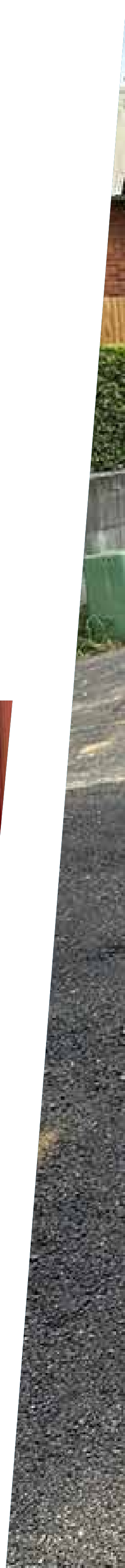
Darwin has achieved some of the biggest results in Australia, including a DPE World Record of $167,000 in sales in one week in 2022, and raising $30,000 for a community cause in need, with one single Doughraiser.

For his achievement in breaking the DPE World Sales Record, Darwin was awarded a DPE Eagle Ring and recognised as Global Record Breaker.

LIVING DOMINO'S VALUES

We continue to be proud to live the Domino's values through community initiatives. Highlights throughout the year included:

- **More than 58,000 pizzas have been donated** across Australia through the Feed the Knead program
- **Give for Good awarded the Corporate Volunteering Award 2023** by Volunteering Queensland for Domino's Corporate Volunteer Program
- Domino's stores across Australia came together on **World Pizza Day on 9 February.** This event saw Domino's Australia stores donate $1 per pizza to Give for Good, **raising more than $137,000** to support disaster-affected communities, disadvantaged youth, rural communities, the development of future leaders and mental health initiatives
- **Awarded 2022 Corporate Philanthropist of the Year.** The award is sponsored by The Public Trustee of Queensland and recognises corporations with more than 200 employees that have created a culture of philanthropy and have demonstrated an outstanding commitment to philanthropy through their financial support of one or more non-profit organisations.
- **Domino's was recognised for the Company's 'Round up for Charity' initiative.** This allows customers to round up their pizza order to the nearest dollar to support the Company's registered charity, Give for Good and its partners. Additionally, Domino's was recognised for its Workplace Giving efforts across both corporate and store employees, and the additional donations that have been made to Give for Good's partners.




CLEARWAY
C
6AM – 7PM
DAILY
TOW AWAY
FOR GOOD DAY
$1*
*FROM SELECTED PIZZAS
DONATED TO GIVE FOR GOOD
TODAY ONLY

AUSTRALIA FRANCHISEE SPOTLIGHT

"I believe that the key to great operations is communication and reflection."

– JUSTIN 'MUNNERS' MUNRO

Justin 'Munners' Munro started his Domino's journey 25 years ago as a Delivery Expert at Domino's Toronto in New South Wales.

"In 2007, I took on my first store at Domino's Waikiki. Not to much longer after that, I expanded my store network to a number of other stores including Port Kennedy, Mandurah, Baldivis and three stores in Darwin up in the Northern Territory," he shares.

Justin is now a multi-award-winning Franchisee Partner, having been recognised with an Eagle Award, a Regional Leadership Award, multiple million-dollar club awards and winning the sought-after Rolex Challenge Award four times.

"I am proud today to be the owner and operator of Domino's Baldivis, Byford and Armadale – that my hard work has paid off," he said.

"I am passionate about growing my people, having developed three Franchisee Partners into the network, and also achieving number one in sales across ANZ.

"I operate my stores with the mindset that consistency is everything when chasing sales and I believe that the key to great operations is communication and reflection."

When considering the highlight of his time as a Franchisee Partner, Justin said, "It is simple – it's the people.

"Whether it's a customer, a team member, a fellow Franchisee Partner, or a member of the community, the number of inspirational people I've had the opportunity to meet, work and network with in my 16 years as a Franchisee Partner has been a blessing.

"I truly believe you are the sum of the people you surround yourself with and I have been fortunate to have some wonderful help and guidance along the way and for that I'm very grateful."

Justin takes a back-to-basics approach to building long-term success and delivering value through his stores.

"It's been very much the same since day dot," he said.

HIS STORES

1. BALDIVIS
2. ARMADALE
3. BYFORD
   WESTERN AUSTRALIA

"I had great teachers early on and the overwhelming theme in their messages was that operations are the key to long term success and longevity."

Justin believes that with consistency of product, service and image (PSI) comes growth.

"For myself and my team, consistency is everything and this conversation is one that is had on the daily: "How do we mirror last week?"

"To maintain that growth, you must have an unrelenting focus and drive to remove any obstacles," he explains.

"I have found that consultation with Store Managers and assistants on what bottlenecks they are experiencing in store, followed swiftly with them seeing that I will do anything to remove those bottlenecks, creates trust and an atmosphere of hunger for growing customer counts and sales."

It has been a big 12 months for Justin, with the introduction of two more stores that, at the time he purchased them, needed improving, in culture as much as in image.

"To maintain that growth, you must have an unrelenting focus and drive to remove any obstacles."

"We have worked hard to instill our ethos and have seen improvements across the board, starting with refurbishments to both stores, an increase in NPS and product quality scores, a reduction in the average delivery time and, currently, each store holds a FSE score that I am extremely proud of."

"It was very exciting for us to bring on one of our Store Managers, Adam Moore, as a business partner in our Armadale store.

"To watch someone moving their way up from a Delivery Expert to Franchisee Partner is truly the most amazing part of our business."

Justin's dedication to helping people prosper and grow isn't limited to his Domino's stores.

His volunteer work with 'WA Special Needs Christmas Party' has led to Domino's involvement state-wide in Western Australia. He is also working to establish positivity and unity in the market through his work as a member for Western Australia on the Franchisee Partner Advisory Council (FAC).

Like all markets though, the conditions for small business across Australia have been challenging over the past few years.

"I believe what doesn't kill you makes you stronger," Justin remarks.

"It has forced a lot of us to really look at ourselves and how we run stores – to think outside the box and keep moving forward, and even turn a negative into a positive.

"My teams and I have pushed hard to ensure we strive for best practice, and I feel the coming year when things like inflation start to ease, we will be well-positioned to take advantage of market changes and continue growing customer counts, sales and expand our store network."

JUSTIN'S ACHIEVEMENTS

HIS PATH

1998 Started at Domino's Toronto (New South Wales) as a Delivery Expert

1999 Regional and Market Manager, Western Australia (WA)

2007 First store, Domino's Waikiki (WA), then quickly became Franchisee Partner of a number of stores including Port Kennedy, Mandurah, Baldivis and three stores in Darwin (Northern Territory).

HIS AWARDS

2004: Regional Leadership Award
2021: Domino's Leadership Eagle Award
2022: Domino's Leadership Eagle Award

4x Rolex Challenge Award
Waikiki, Port Kennedy, Mandurah and Baldivis stores

Million-dollar club awards
Multiple times

YEAR IN REVIEW

NEW ZEALAND

It's been a year of milestones and forward-thinking for Domino's New Zealand, despite the challenges of rising inflation and supply chain disruptions. The team launched an impressive range of new products and initiatives to drive better value and service for customers and maintain our position in the local market.

THIS YEAR, WE LAUNCHED:

DOMINO'S APP
July 2022 – with exclusive customer deals and incentives for users to receive free pizza

IMPOSSIBLE RANGE
October 2022 – this temporary range included 100% Plant-Based Beef for Domino's Vegan and Flexitarian range.

DOMINO'S BURGER JOINT RANGE
August 2022 – bringing together burgers and pizza into one Hot and Fresh delivered meal

TASTE OF INDIA RANGE
in March 2023 – three new pizzas inspired by the Indian takeaway experience that Kiwis know and love

10

10 new Domino's stores across New Zealand in FY23, growing the New Zealand store network to 153

6

6 Store Managers became first-time Primary Franchisee Partners

THE BIG 1-5-0

In August 2022, we welcomed Daniel Hawkins as the General Manager of Domino's New Zealand.

Then, in December, Daniel participated in a ribbon-cutting ceremony alongside ANZ CEO David Burness, to celebrate the opening of New Zealand's 150th store in Orewa.

The new store represented a positive boost to Domino's expansion plans and provided an opportunity to reflect on DPE's first New Zealand store opening in Johnsonville in 2003.

To mark the opening of the 150th store in New Zealand, customers were invited to enjoy free pizza and the chance to score one of 150 prizes!

NEW-ZEALAND

DAN TAN BREAKS SALES RECORDS

Domino's New Zealand Franchisee Partner Dan Tan hit a sales record, becoming the first store in New Zealand to achieve more than $100,000 in sales in one week. **Dan's store, Domino's Gisborne recorded a massive $103,235 in sales for the week** between Christmas and New Year.

This was a strong year for New Zealand Franchisee Partners. They were inspired to crush convention and break records – with more than 20 Domino's stores in this market breaking their existing sales records.

Congratulations goes to Franchisee Partners Dan Tan and Harman 'Lucky' Singh who were Leadership Eagle recipients for FY22–23.

Dan Tan

Harman 'Lucky' Singh

GIVE FOR GOOD

PARTNERSHIPS WORTH CELEBRATING

Domino's New Zealand was proud to reach a significant milestone in the Feed the Knead initiative – with our pizza donations topping 13,000 across the country.

We launched a registered charity Give for Good in August 2022, and quickly partnered with national youth charity Youthline. As part of this partnership, our second annual Domino's for Good Day aired on national TV for the first time and saw us raise a total of $19,600 for the charity.

In September, Domino's New Zealand held a Youthline Doughraiser. During the campaign, our eighth so far, $1 from every pizza sold between 4–9pm was donated directly to the youth charity Youthline, raising a total donation of $37,637 in just one day across all stores. These funds support Youthline to deliver critical services and equate to 666 young people receiving 24 minutes of phone support through the helpline, 8,000 text messages sent through the Helpline, or the training of 53 new Helpline counsellors.

In February 2023, another Doughraiser saw Domino's stores across New Zealand rally together to support Whanau (extended community members) impacted by the Auckland floods. For this Doughraiser, $1 from each pizza sold on 22 February from 3–8pm was donated to Taskforce Kiwi. With a dollar-for-dollar match from Give for Good, this resulted in a donation of more than $50,000 to help those who had lost their homes, vehicles and personal belongings in the flood, as well as helping with clear up and recovery efforts. Give for Good made another one-off donation of $10,000 to Taskforce Kiwi to help even more.

In another first for Domino's New Zealand, we participated in Māori Language Week. We raised awareness of Te Re Māori by developing a brand new 'Tino Kai' (Kiwi Favourites) menu and introduced Te Reo Māori pins and decals for stores so team members could promote speaking in Te Reo to each other and their customers.

LIVING DOMINO'S VALUES

HELPING PEOPLE GROW AND PROSPER

In October 2022, Domino's New Zealand commenced our partnership with Talent RISE – a charitable foundation that provides education and training-based opportunities to Māori and Pasifika Youth people to gain meaningful employment. Based in Wellington, Talent RISE was born out of the vision to change the lives of young people. Domino's values are aligned with this effort, particularly given our role as one of New Zealand's largest current and future employers of young people in the hospitality industry.

Since launching in October 2022 with support from local Wellington Franchisee Partner Harman 'Lucky' Singh, Domino's stores in Wellington have welcomed more than a dozen Māori and Pasifika young people to learn all about working for Domino's. The sessions included a meet and greet session with a Franchisee Partner, followed by a two-hour 'pizza school' session where students visited a store to learn how to make a pizza, take a customer order, and prepare fresh batches of dough.

This partnership work complemented our strategic recruitment drive. In March, we launched the Path to Excellence campaign and announced we were looking for 2,000 new team members to join us.

CRUSHING CONVENTION INTO THE FUTURE – HOT AND FRESH DRONE DELIVERY

After making history with the world's first pizza delivery by drone from Domino's Whangaparãoa in Auckland in 2016, we were excited to again partner with SkyDrop to test drone technology with more Kiwi pizza lovers.

In November 2022, the Te Kaahu drone delivery trials extended to Huntly, on the north island of New Zealand. Eight orders were delivered to the local Waikato Tanui Iwi and several customers in Huntly.

The Waahi Paa named Domino's and SkyDrop's first New Zealand based trial drone Te Kaahu – which means 'The Hawk' their language. For the drone to be recognised by the Waahi Paa is a great honour, and we remain committed to seeing the Te Kaahu me he kaahu I te rangi (fly safely like a hawk in the sky).

Domino's New Zealand will continue testing drone deliveries with SkyDrop throughout 2023–24. We believe drone delivery will be an essential component of pizza deliveries in the future, providing convenient, zero contact delivery while also reducing traffic congestion and greenhouse emissions.

FOOD INNOVATION

Domino's New Zealand collaborated with Pure NZ Ice Cream to create an exclusive dessert in time for summer 2022–23 – Lamington Gelato. The sweet treat boasts a classic lamington flavour with coconut cream and raspberry gelato. It was only available in Domino's New Zealand stores. More than 5,492 unique customers visited Domino's to try this product since we launched it in January, and more than 6,722 tubs of Lamington gelato were sold. The popularity of this product validated our commitment to working with local businesses to promote local ingredients, tastes and flavours unique to the Kiwi palette!

In March 2023, Domino's launched our Taste of India range, featuring Indian inspired pizzas – Chicken, Indi Chicken Tikka and Spicy Peppy Paneer. Loaded with locally sourced vegetables, seasoned chicken, creamy paneer cheese and topped with Domino's signature Indian butter sauce, Domino's was able to turn up the 'dhal' on both value and choice. The range also included Domino's first ever Cheesy Pizza Naan – a light and fluffy pizza dough topped with mozzarella, lashings of garlic butter and even more Indian butter sauce.

Domino's New Zealand decided to launch this exciting flavour range after consumer data revealed the top takeaway dish in New Zealand for 2022 was a mild butter chicken curry and a side of garlic naan. The research paid off. The top selling pizza in the new Taste of India Range is the Butter Chicken – selling more than 40,000 in just over a month. The new range is helping to boost sales – resulting in higher Same Store Sales and higher Same Store Customer counts compared to prior to the launch.

JAW DROPPING VALUE

Domino's New Zealand launched the Jaw Dropper marketing campaign to the market, promoting exceptional value and generating profitable sales and customer growth.

The campaign works by offering customers an irresistible deal, enticing them into the store, and then allowing them to upgrade their pizza and side offerings for a nominal fee (for example, upgrading a pizza from Value to Traditional for $2 or adding a side like Garlic Bread or Chicken for $3). The Jaw Dropper results speak for themselves, with improved margins on pizza orders, more than 60 per cent higher click-through rates than the prior deals, and more than 50 per cent higher ticket than the headline price.

DIGI-TECH INNOVATION

With almost 70 per cent of Domino's New Zealand's customers placing their pizza order online, it makes sense for us to continually evolve our technology to meet changing customer needs and expectations. In July 2022, Domino's New Zealand encouraged customers to 'get appy' for free pizza by downloading the new Domino's app. Delivering a faster and easier ordering experience for customers, the new app allowed customers to access special offers, and scroll through the menu much faster than the previous Domino's app.

We kept the momentum going in the digital space, quickly following the launch of the Domino's App with the Domino's Wallet. This is an online 'club' where customers are treated like members and can instantly access great value promotions, including many exclusive 'Wallet-only' deals.

FINDING THE RIGHT BALANCE

Inflation challenged Domino's and our customers, with Kiwis feeling the pinch of rising cost of living expenses. Many customers are tightening their household budgets and making careful choices about their takeaway food.

We didn't always get the balance quite right when we increased product prices on delivery to counter inflation, which contributed to a drop in same store customer counts.

To counteract this, Domino's New Zealand is ensuring we deliver value for customers by extending our new products, including introducing a range of Limited Time Offer items and other value-focused meals.

"The new app allowed customers to access special offers, and scroll through the menu much faster than the previous Domino's app."

NEW ZEALAND FRANCHISEE SPOTLIGHT

"In my store, we are serious about service times and the effect they have on customer satisfaction."

– DAN TAN

Dan Tan's Domino's story started in Hamilton City in 2006, when he moved to Hamilton and worked as a Delivery Expert during his first year of study at Waikato University.

"Brandon Brooking (one of our NZ Franchisee Partners) hired me – Brandon is a good teacher and taught me all the old school ways," he recalls.

Dan quickly worked up to Shift Runner, and then became a Store Manager after he graduated university.

"During those three years I worked across all four stores in Hamilton (Hamilton City, Hillcrest, Nawton and Rototuna) and helped my Franchisee Partner set up both Nawton and Rototuna stores."

Dan moved to Gisborne in 2010, soon becoming Store Manager. He became the Franchisee Partner four years later and has been growing it ever since.

"Currently, I have one store, in Gisborne, which is located in the corner of our country, really in the middle of nowhere," he smiles.

The closest store or food distribution centre is three hours' drive from Dan's Gisborne store.

"Because of my store's location, I don't have any tourists or international students, so I rely on my local community to build up sales and keep running my business," he said.

"I have a developed a good relationship with the local council; they are one of my greatest supporters." Dan believes these relationships and the people he encounters through this store are the highlight of his time as a Franchisee Partner.

"As Group CEO and Managing Director Don Meij once said: "We're in the people business, not the pizza business."

"This resonates strongly with me because with great people in our business, the pizza part is easy," Dan added.

HIS STORE

1. Gisborne

“Domino’s is not just a part time job for them, it’s a part of their life.”

“I have worked at Domino’s Gisborne for more than 10 years,” he said. “During this time, I have hired many people, many of whom work with us for more than three years.

“They are not only great team members to work with, but also loyal customers.

“Domino’s is not just a part time job for them, it’s a part of their life, and a wonderful working experience.”

When it comes to product quality and delivery times, Dan believes that Domino’s knows time is the enemy of food.

“In my store, we are serious about service times and the effect they have on customer satisfaction.
“A late delivery not only fails to meet a customer’s expectations but is also detrimental to our product quality too.

“So we spend significant time training our Gisborne team members to make fast, high quality, high-value food for our customers.”

Dan recently hit a sales record for the market, becoming the first store in New Zealand to crack the $NZD 100,000 milestone – recording a massive $103,235 in sales for the week between Christmas and New Year 2022–23.

After finishing 2022 on a high, Dan’s attention was unexpectedly diverted less than month later. Four days of extreme flash flooding from 27 January to 2 February 2023 swept through Auckland and surrounding regions in Northland (the northern tip of New Zealand), resulting in the tragic deaths of four people. Soon after (12–16 February 2023), Cyclone Gabrielle hit Auckland and the surrounding regions in Northland and plunged the country into a national state of emergency.

Schools, public transport, major roads and the international and domestic airport were closed. More than 50,000 homes lost power and 10,000 people were evacuated from their homes for fear of safety. Several regional communities in the Hawkes Bay area, south of Gisborne, were completely cut off – no power, internet or mobile signal – and a further six people lost their lives.

As the local Franchisee Partner in one of the most impacted areas, Dan helped to assist with ‘Feed the Knead’ donations of hot pizzas to evacuation centres, government relief hubs and to the groups of emergency responders including fire, police and the State Emergency Service (SES). Dan’s team donated more than 1,000 pizzas in one week.

With the country now in recovery, Dan is optimistic about the year ahead.

“As one of the $60,000 AWUS stores, our goal is $80,000 – that excites me!

“Thank you Domino’s for giving me a chance to be part of this journey!”

Dan Tan – exemplifying the best of Domino’s values by sharing his knowledge, commitment and community spirit.

DAN'S ACHIEVEMENTS

HIS PATH

2006 Delivery Expert, Domino's Hamilton City

2007–2009 Shift Runner and then Store Manager at various stores in Hamilton (Hamilton City, Hillcrest, Nawton and Rototuna) after graduating from university

2010 Store Manager, Domino's Gisborne

2014 Franchisee Partner, Domino's Gisborne

HIS AWARDS

2020 – Leadership Eagle Award and
2022 – Leadership Eagle Award
2022 – Broke Weekly Sales Record for New Zealand $NZD103,000

YEAR IN REVIEW

JAPAN

Domino's Japan had good reason to celebrate throughout the 2022–23 financial year, with some significant achievements:

- Became largest pizza chain by store count in 27 prefectures (vs 22 in the previous year)
- Rolled out new Domino's app, which accounted for almost half of all orders within six months
- Held first Domino's for Good Day in February
- Established Sanchoku Domino's Fund® – Domino's round-up for charity program

We also launched two new products:

MY DOMINO'S

perfect single portion meals

BIGBOX

high-impact combination box set

We hosted Go Gemba Days in March and June, providing opportunities for Store Support Office members to visit stores.

STORE STATISTICS

Stores achieving Club 1845 status	Franchised stores	Female-run Franchisee Partners	Franchisee Partners
58	612	3	129

YEAR IN REVIEW

DRIVING OUR SUCCESS THIS YEAR

We know the key to growing customer counts is increasing customer satisfaction. That's why this year we kept our focus on product quality and delivery times, which directly increase customer satisfaction scores.

- Product score achieved 4.3 point
- Almost 10 per cent improvement from FY22
- NPS increased almost 10 per cent compared to the prior year
- Our highest quality operations were achieved in the busy Christmas period

To further expand our small business presence, Domino's Japan established a new small area business model, with 23 small area stores. This change enabled more efficient store opening by tailoring store facilities and hours of operation to local requirements.

We believe that considered adjustments, like reducing the minimum lot size to 70 square metres (instead of 130) and making detailed estimates about sales in smaller areas, will make these smaller format stores more attractive to potential Franchisee Partners – particularly in smaller, suburban areas. It will also boost brand recognition across more regions. Already, we have seen a meaningful reduction in capital expenditure when compared to standard store openings.

OUT OF THE BOX

In February, we launched My Domino's, a menu designed with portions for individual diners. Each box contains a main dish and two side dishes for 930 Yen. The product was well received by many customers, and in just over a month Domino's Japan sold more than 500,000 of these exciting new products.

We then introduced BigBox in April. This delicious combination box set includes two small pizzas and four side dishes packaged in a large 42 x 43 cm pizza box. We believe this high-impact package deal is the first of its kind in Japan's major pizza delivery industry.

LIVING DOMINO'S VALUES

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

What's in a name? For Domino's Japan, how we relate to each other and our connections between the corporate staff and the Franchisee Partners, Store Managers and crew members, was a key focus for 2022–23. In April, we changed the name of our corporate headquarters to 'Store Support Office', making a clear statement about the role of these staff to support store operations.

We hosted Go Gemba Days in March and June, providing opportunities for Store Support Office members to visit stores. The visits allowed them to gain an understanding of day-to-day requirements in the stores and show our support for team members serving our customers.

HELP PEOPLE PROSPER AND GROW

Domino's Japan is fortunate to have talented female leaders within the company. International Women's Day (8 March) provided an opportunity to further strengthen the diversity and support within our working environment.

We invited Kyogen actor, Miyake Tokuro, to host a workshop around the theme of "What we can do to have all employees flourish in their individual way". We received positive feedback from employees who took part in the International Women's Day workshop, and are already planning similar activities, to support emerging and future female leaders to pursue their careers with confidence.

YEAR IN REVIEW

BE GENEROUS AND PROVIDE JOYFUL EXPERIENCES

Domino's Japan held our inaugural Domino's for Good Charity Day in February, joining the program already established in Australia and New Zealand, and raising 536,660 Yen. This event was an opportunity for Domino's staff and customers to support a worthy cause through sharing pizza.

As a member of the food industry, Domino's Japan wishes to contribute to the current success and future development of Japanese primary producers – the quality of our pizza product depends on good produce.

In May, we launched the Sanchoku Domino's Fund®, a fractional donation program, where customers can choose to donate fractions of less than 100 Yen per order. Proceeds from these donations support the producers in Japan, through projects aimed to address social and environmental issues. In the first two weeks since launch, more than 15,800 customers had donated 515,124 Yen.

Despite ongoing challenges associated with the COVID-19 pandemic, Domino's Japan were determined to celebrate Children's Day. We held the Domino's Pizza Academy Children's Day Special over three days in May, with pizza-making workshops for children aged 3 to 12 years. More than 6,000 people participated in the day, thanks to the involvement of 970 Domino's Pizza stores.

Between May 2022 and April 2023, we've seen more than 40,556 personalised pizzas created by Pizza Academy participants, learning alongside our Domino's professionals and sharing the joy of pizza with more of our customers.

HIGHLIGHT ON SAFETY

The safety and wellbeing of our staff is paramount and remained a focus over the 2023 financial year. After identifying stores with a higher rate of traffic accidents, we implemented targeted online safety training. Across all stores, we conducted a 'No Accident' campaign to raise awareness of traffic safety among our staff. Several Domino's Japan crew also participated in safe driving seminars with motorcycle police officers. This concerted effort resulted in a significant reduction – almost 60 per cent – in the number of stores experiencing more than three traffic incidents associated with deliveries and other business operations over the year.

ECO-FRIENDLY DELIVERIES

Our efforts to reduce carbon dioxide emissions have made further progress, with electronic vehicles (e-bikes or EAVs) now accounting for more than 61 per cent of all new vehicles purchased for Domino's Japan in Tokyo. E-mobility ownership is now 31.4 per cent in Japan and 61.4 per cent (7 per cent increase VS last FY) in Tokyo as of March 2023.

Along with the expansion of e-vehicles, we are reducing our procurement of scooters and other vehicles that emit carbon dioxide. This is already down to 27 per cent of last year's procurement figures, when compared to the same period (July to March).

JAPAN

NEW SPACE TO THRIVE

Our Store Support Office moved to Meguro in August 2022. The design of the new space followed a three-pronged concept: grow with customers; grow with employees; grow with society. The new space includes displays from local stores to share the latest initiatives and customer feedback, an employee wellness room, and a café space with reusable crockery and other environmentally-friendly paper-free practices.

JAPAN FRANCHISEE SPOTLIGHT

"Effective management is not about determining what can or cannot be done, but rather about our willingness to act."

– AKINOBU KINBARA

Since he was assigned to Okinawa as a supervisor in July 2018, Akinobu Kinbara has believed in the potential of the business and wanted to make a difference in his local community.

His foresight helped him expand to seven stores in 17 months. "I have continued to aggressively try to acquire sales, working closely with everyone in the community," he said. "Our whole team of managers actively drives sales every day within their communities.

"We conducted maximum menu distribution to expand the marginal value of the trade area and, compared to when I started as a supervisor back in July 2018, we nearly tripled the menu distribution by June 2022."

Key to Akinobu's success is his knowledge and understanding of the needs of his local community. The US military community based on the island provides a unique sale opportunity. Akinobu's team work tirelessly to stand out against their competitors and attract military customers. "We constantly introduce special offers for miliary personnel, coordinate sponsorships and actively engage with the US military community," he said.

Akinobu also explained that the Universities in Okinawa have many students who have migrated from other prefectures, which means many local university students live alone. "We actively drive sales within the university community, constantly finding new ways to sell at a price point that students can afford," he said.

HIS STORES

1. Chatan Kokutai Road
2. Nambuhara Town
3. Uruma Ishikawa
4. Nago Miyazato
5. Ginowan Oyana
6. Nagata 330
7. Noborikawa

"Taking a proactive approach with the university students means we not only gain sales but also new employees as students join us as crew members."

Akinobu's focus on his customers is reflected by his team and rewarded through incentives.
"I always want my team members to be aware of the Omotenashi Spirit,[1]" he said. "I strongly believe that service is not just about speed of delivery, although this is important – it's also about the care, kindness and friendliness our staff show to customers either instore or at the door on delivery."

Akinobu proudly believes he has the best management team in the country. "I believe in sharing in our successes together and incentivising what is important. We run sales challenges and bonus schemes to reward the team's excellent work."

"People are key to our business"

Akinobu has been busy putting in place several measures at his stores to ensure freshly made hot pizzas are delivered to customers as quickly as possible. "We added four additional delivery bikes per store – a total of 28 additional bikes at seven stores – so we could best meet customers' requests, and it had the added benefit of creating more employment in our stores."

Akinobu's management approach focuses on adequate hiring and scheduling while creating an environment where people love coming to work. "People are key to our business," he said. "We make sure we have enough staffing to avoid any operational disruptions. We accept all candidates who express interest in working for Domino's Japan."

"From there, we provide appropriate training and education, praise those who produce results, and try to create a system that allows for future career development."

Reflecting on the challenges over the past year, Akinobu agreed there was some apprehension concerning a potential decline in sales as the economic and social impacts of COVID-19 became the 'new normal'.

"Effective management is not about determining what can or cannot be done, but rather about our willingness to act," he said. "We took an assertive approach to management and remained confident in achieving more than 20 per cent growth in sales."

"We regularly shared all relevant data with our team and worked collaboratively to revise our strategies to meet our objectives."

Akinobu is optimistic about the ongoing potential for growth in the Okinawa region. "My goal is to continue to grow my business and expand by adding three more stores in the next year," he said.
"I am particularly enthusiastic about partnering with Domino's Japan to increase our sales and boost growth, whilst also mentoring and being a positive influence for the other Franchisee Partners around me."

Akinobu added that he gained a greater understanding of the potential for increased sales after attending the Domino's Japan Franchisee Partner and leadership retreat.

"It taught me that it's important to act on your instincts before analysing the reasons why you apparently can't [increase sales]," he said. "This mindset is crucial for success and I'm feeling optimistic about our future together."

1: A Japanese expression that describes concepts of hospitality as well as mindfulness.

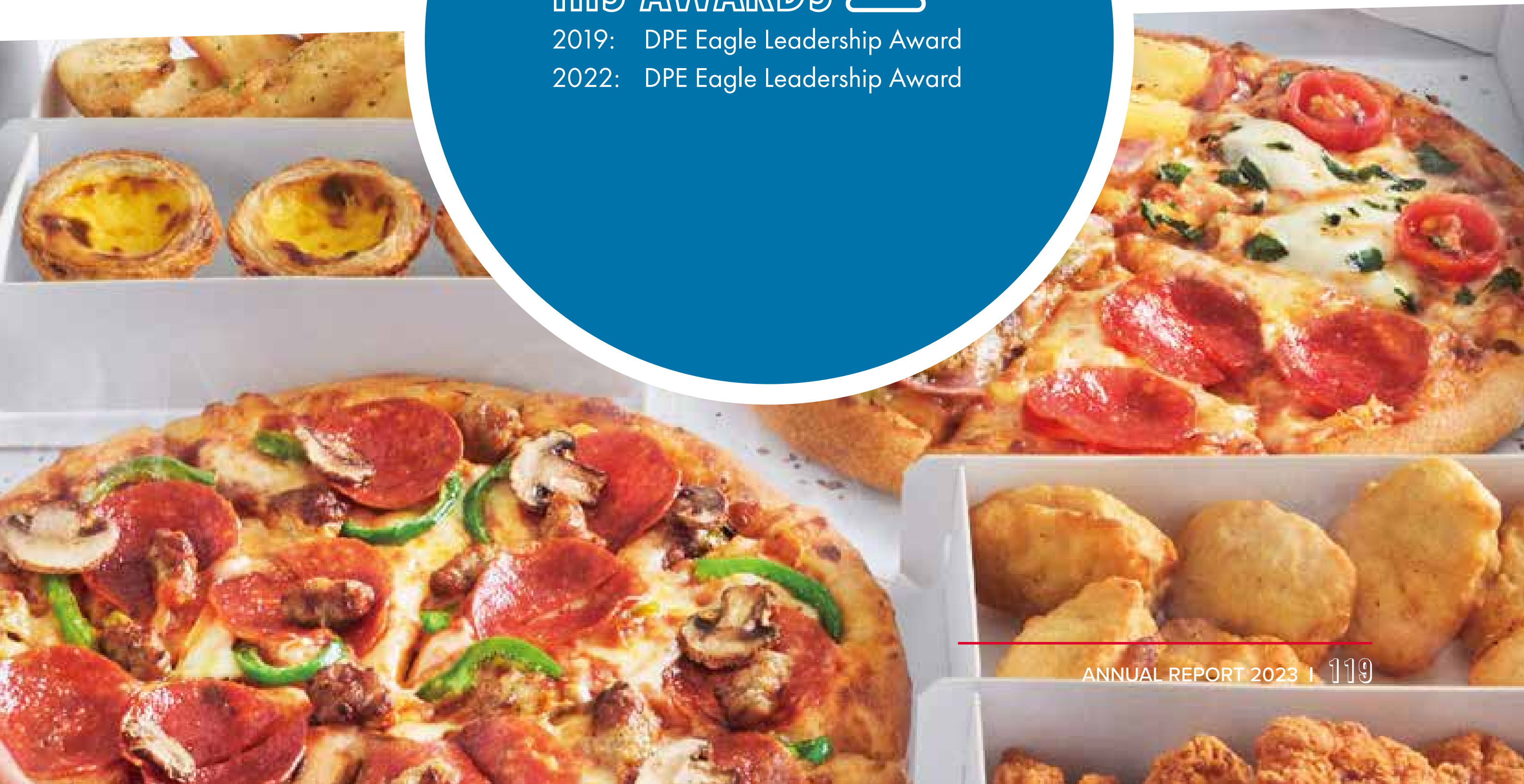
AKINOBU'S ACHIEVEMENTS

HIS PATH

1995	Joined Domino's Japan as a Delivery Expert
1997	Became full-time employee
2018	Assigned to Domino's Okinawa as supervisor
2019	Oversaw a material turnaround in the Okinawa market as a Corporate Supervisor
2020	Became a Franchisee Partner, Domino's Okinawa
2022	Became a Franchisee Partner of seventh store – opening the Noborikawa store
2023	Successful Franchisee Partner of seven stores

HIS AWARDS

2019: DPE Eagle Leadership Award
2022: DPE Eagle Leadership Award



JAPAN FRANCHISEE SPOTLIGHT

"Once staff members complete their initial training, they receive personalised guidance on customer service."

– SAYAKA MIYAZAKI

Sayaka Miyazaki is one of three female Franchisee Partners making successful waves across the Domino's Japan network.

When she began her franchise business, Sayaka's primary goal was to attract more customers. "To achieve this, I've set our focus on enhancing our NPS," Sayaka said.

"I am delighted to report that our efforts have paid off, and our NPS has improved from an average of 20.82 per cent between November 2021 and November 2022 to an average of 48.98 per cent from December 2022 to June 2023," she added.

"Our customers have been returning to order from us again, leading to a high rate of repeat customers – this has also boosted staff motivation." Although Sayaka and her team have faced some difficult financial situations over the past year, they have been able to maintain positive sales by implementing several High Volume Mentality (HVM) initiatives. Firstly, Sayaka believes in greeting all staff on the floor, and that all floor staff should always face the customers. "This behavior change was initiated due to a shift in focus from concentrating solely on work tasks," she said.

Providing an adequate training environment is another element of Sayaka's positive management approach. "Once staff members complete their initial training, they receive personalised guidance on customer service, tailored to their specific needs and tasks when working on-site in an unfamiliar environment," she said.

Sayaka uses Goodays, the customer experience management platform, to benefit her stores, and ensures customers always receive a timely response to their comments. "We have a 100 per cent response rate to customers, with an average response time of two hours and three minutes," she beams.

HER STORE

1. IWATAIMANOURA

"We share and discuss all customer comments that the stores receive."

"We share and discuss all customer comments that the stores receive, with all the staff and crew members, and promptly respond to any items or tasks that need to be improved," she said.

Finally, Sayaka implemented ongoing in-store training and cross-skilling. "Rather than restricting the duties of drivers and in-store workers, all team members were encouraged to take on any tasks necessary," she said.

"This approach promoted the autonomy and motivation of all our team members." Sayaka's HVM initiatives have certainly proven successful, and she already has her priorities firmly in sight for next year.

"We are looking to maintain stable operations and sales and have a goal and have a goal to open an additional store in FY24," she said. "To make this happen, we're focusing on improving human resources at our current locations and ensuring they meet all the requirements for operations, sales, OER, and safety set by Domino's Japan."

SAYAKA'S ACHIEVEMENTS

HER PATH

1996 Joined Ebisu store. After a couple of years, Sayaka left Domino's to work for another company before returning

2004 Returned to Domino's at the old Kashiwa store in Ayase and Shin-Kashiwa

2012 Joined as a full-time employee

2017 Became Store Manager

2022 Became Franchisee Partner of one store, Domino's Iwataimanour

YEAR IN REVIEW

TAIWAN

A challenging trading environment over the past year only served to push the resilient Domino's Taiwan team to try innovative ways to unlock market segments and reach new customers.

By utlilising an aggregator channel, we boosted our customer base by more than 40 per cent. We redesigned printed marketing collateral and online menu offerings, while also working to optimise distribution and creative output. The team tested different marketing channels through DPE's CRM (customer relationship management) platform, which doubled the number of subscribers to our digital marketing messages within two months.

Another highlight was the Wobble Board competition at the Min An West Road store which more than doubled order count growth during the competition period – that's more than 2500 orders per week throughout January 2023.

INNOVATIVE PRODUCT, PRICES, AND PROMOTION

Behind the new customer drives was the launch of strategic price points and product promotions to deliver value, choice and keep customers coming back:

MYBOX STARTING FROM NT$129

For a personal pizza and two sides – great value, which drove strong sales from a competitive market segment, capturing new customers during lunch time and weekdays

DELIVERY CORE OFFER UPGRADE

"Buy large to get a free large" providing better value for smaller families

NT$699 THREE LARGE PIZZA DELIVERY DEAL

Representing greater value for larger groups, and driving a margin of more than NT$5,000 per store per week

WORLD 10 CHEESE QUATTRO

Ten different premium gourmet cheeses from across the globe, all on one pizza

NT$199 ONE LARGE PIZZA TRIAL WEEKS

Drove significant order count growth

STORE OPENINGS

Domino's Taiwan opened 18 stores throughout the 2022–23 financial year. Eleven of these were franchised stores, with experienced Franchisee Partners expanding their existing store networks.

LIVING DOMINO'S VALUES

INVESTING TO CREATE DEVOTION

Our corporate goal this year was to strengthen the relationship between Domino's Taiwan staff and Franchisee Partners. We held a guided workshop, bringing together the Leadership Team and Franchisee Partners for a shared goal, and a Company Day event, culminating in a gala dinner to celebrate shared successes and recognise outstanding individuals.

We extended our reach to our communities in the past year. We celebrated our customers through a Customer Appreciation Day, where we provided great value offers to say thank you for our customers' support. We also we rewarded excelling local elementary school students by giving away a free 6 inch pizza to children who achieved 100 points in any subject on their mid-term semester exams.

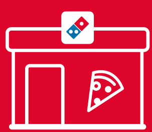
RECORD BREAKERS

Highest sales in a week by Funshan Fundin store

$577,212

Fastest Delivery by Rende Chung Cheng Store

12:26MIN



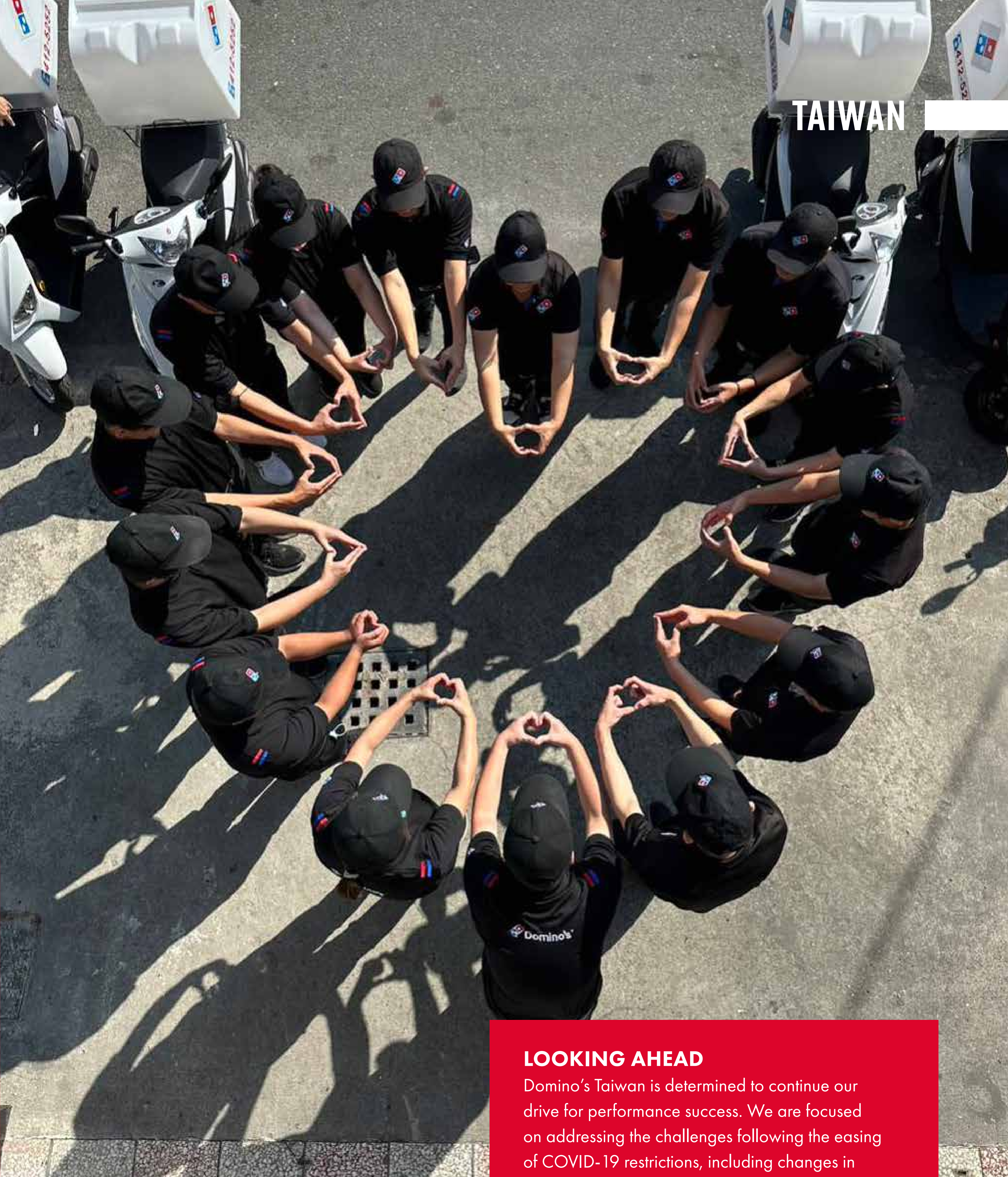
Fastest growth pace in Domino's Taiwan's 20-year history

18 STORES OPENED

Double order count competition

KENNY, EDISON AND CHUN CHI

From Domino's Xinzhuang Min'an, Zhonghe Jingxin, and Zhongli Longgang stores won a trip to Australia to meet with other experienced Domino's people.



LOOKING AHEAD

Domino's Taiwan is determined to continue our drive for performance success. We are focused on addressing the challenges following the easing of COVID-19 restrictions, including changes in consumer behaviour. How? Through value: continual system process improvement and reinvesting cost-savings into our core menu offering.

TAIWAN FRANCHISEE SPOTLIGHT

"At opening we held two promotions, which made us the Number 1 for sales in Taiwan."

– CHEN WEN JI

As an astute businessman and quick learner, Chen Wen Ji is always on the lookout for new opportunities. After learning all aspects of Domino's Store Manager operations, he swiftly progressed from Store Manager to Franchisee Partner.

Chen is now the Franchisee Partner of two stores in Taiwan – Domino's Yi Lan Zhongshan and Domino's Luo Dong Xing Dong South Road.

When considering the highlights of his time as a Franchisee Partner, Chen explains that he proactively seeks out events to increase sales at his stores, and to support his people to grow and prosper.

One such successful sales story arrived via a local festival. "I discovered a sales lead through the International Children's Folklore and Folkgame Festival in Yi Lan," he explains.

"Every year now, in mid-July and August, I distribute leaflets at the festival's entry."

"Many festival goers become our customers throughout their attendance at the festival, placing orders with us that we conveniently deliver back to them at the festival.

"This targeted marketing activity significantly raises our sales figures during that period."

Chen also shares an initiative that bolstered his stores' relationship with local charity organisations. "Even before Domino's Pizza Enterprises Ltd entered the Taiwan market, we were fortunate to have established and positive local partnerships," Chen said.

"I'm quite proud of our involvement with activities hosted by the Yi Lan joint fundraising foundation,

"We participated in the redemption of charity vouchers, which are distributed by social welfare organisation groups to those in need," he said.

"The more businesses that became involved in the initiative, the more customers were motivated to purchase charity vouchers."


TASTY
INGREDIENTS
PIZZA

"This has continued to be a successful partnership and although it wasn't our initial intention, I am delighted that we were recognised as a caring business by the Yi Lan joint fundraising foundation."

Chen's store teams remain at the forefront of his approach to Domino's leadership. He is committed to delivering value through quality products, customer service and local interactions through his stores, and also to developing his people.

Chen is especially willing to support motivated team members who demonstrate through their work ethic and team dedication that they could one day reach their goals of becoming a Franchisee Partner of their own store.

"I am currently involved in leading one of my managers, Xie Zhi Yu, through the process to become a Franchisee Partner," Chen says proudly.

"I am working with Xie Zhi Yu to strengthen his business skills and expose him to all the different aspects of owning and running your own store.

"I have full faith in Xie Zhi Yu becoming a successful Franchisee Partner.

Chen's commitment to building up his teams is experienced by his team members at every level of the business. "Keeping my management team up-to-date on the company's goals helps improve our ADT and product quality," he said.

"I hold regular meetings with my managers to keep them informed about the store's status and I support them to continually develop their store management skills," Chen explains.

"I conduct performance evaluation on a quarterly or annual basis, recognise and promote the people with consistently good performance to boost their sense of accomplishment."

During his time as a Franchisee Partner, Chen has seen the reward that comes from building strong relationships with his team. "The Luo Dong Xing Dong South Road moved to its current location in October 2022.

"At opening we held two promotions, which made us the Number 1 for sales in Taiwan.

"We provided multiple choices for customers and attracted some new customers as well.
"A wonderful aspect of the opening was that many former employees supported us for the event, which helped us all deliver smooth operations and achieve a high sales outcome.

"Keeping my management team up-to-date on the company's goals helps improve our ADT and product quality."

"I think that's a very positive sign – that, by staying in touch with former employees, when we were understaffed, they were willing to step in and lend a hand."

Every market has its challenges, and Chen Wen Ji explains that, in Taiwan's pizza market, it's about customer tastes and traditions.

"In Taiwan, we can have rice every day, but not pizza, at least in the short-term.

"It takes product development to change customers' preferences, so it's important we work with the supporting office to develop multiple strategies at the same time.

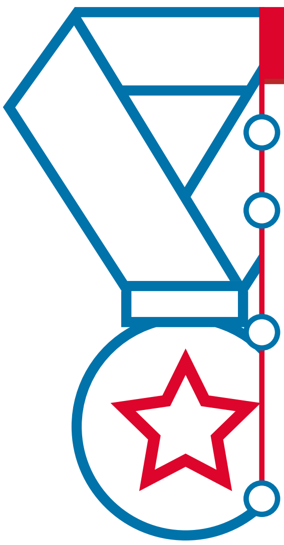
"Our customers prefer a combo meal, especially on holidays, so the local store marketing applied by the two Yi Lan stores is mainly about our combos," he said.

"We make it easy for customers with a carefully considered combination of pizza and sides."

Looking to the future, Chen Wen Ji's outlook is positive.

"I believe the group will lead the Taiwan market on the right path, working together to drive Taiwan's sales," he said.

CHEN'S ACHIEVEMENTS



HIS PATH

1997 Promoted to Store Manager

2003 Became a Franchisee Partner with Yi Lan Zhong Shan Franchisee Partner

2003 Expanded to multi-unit Franchisee Partner with second store Luo Dong Xing Dong South Road

2010 Bought Keelung Yi store (sold this store in 2015)

YEAR IN REVIEW

MALAYSIA

Domino's Malaysia had several impressive achievements to acknowledge over the last year.

- 13 new stores opened in 2022–23 (FY 2023)
- "Feel the more" brand launch – proactive approach to improving customer perception of our product quality
- Flatbox operations launched in new stores and 26 pilot (existing stores) – significant efficiency and cost savings throughout store operations
- Domino's x Genshin Impact x UniPin collaboration
- Domino's Pizza Malaysia's LinkedIn followers – now reaching more than 47,400 followers
- Profitable Aggregator business – 30 per cent of our business run on aggregator, which continues to drive profitable lead generation model

They also launched three new products:

BULGOGI CHEESE BAKED PASTA

SSAMJEANG BEEF BULGOGI PIZZA

AYAM-HASEYO

SUCCESS THROUGH PARTNERSHIP AND COLLABORATION

Domino's Malaysia took collaboration to the next level, joining forces with the critically acclaimed open-world adventure role-playing game Genshin Impact and the leading digital entertainment enabler UniPin. The aim of the collaboration was to provide customers and fans with exciting, memorable experiences that bring pizza and gaming together. With a tagline 'Gaming Time is Pizza Party Time', fans of the online game were able to purchase a combination set of exclusive merchandise at all Domino's outlets across the country.

PARTNERSHIP WITH LOCAL UNIVERSITY TUN HUSSEIN ONN MALAYSIA

Domino's Malaysia achieved another milestone with the Jana Kerjaya-Belajar Sambil Bekerja (BSB) project (Learn while working). Working in collaboration with the University Tun Hussein Onn Malaysia (UTHM), this project aims to remove barriers, empower and inspire Domino's people to pursue their dreams.

The project is aligned with Malaysia's Technical and Vocational Education and Training (TVET) program and supports the national drive towards a more knowledge-based, high-technology and high-value-added economy.

DELIVERING VALUE THROUGH FEEL THE MORE

In our pursuit of improved brand perception on product quality, Domino's Malaysia recognised that we needed to evolve into the next stage of our growth. Over two years of strategic business planning, the team focused on new and enhanced pizzas, consistency of product delivery and better communication about the benefits of our products.

The result was the "Feel the More" range, showcasing Cheesier with More Cheese, and Tastier with More Toppings:

- Loaded toppings for a mouthful 'feel' and enhanced taste experience
- Four new flavours within the specialist cheese range – Super Cheese, Tropical Chicken, Beef Feast Pepperoni, and Chicken Feast Pepperoni.
- Additional cheese topping – or 'cheese netting' – drizzled over pizza to treat our cheese-loving customers
- Eleven pizza flavours that were improved and now come standard with loaded toppings.

Pizza categorisation restructure from "Price Centric" – affordable, middle tier price, higher tier selling price to Signature, Cheese Loaded and Loaded Topping pizza.

We improved our product descriptions on the menus, with bigger images of our pizza products, and better explanations of the ingredients and flavour profile.

BOXKU

Leveraging on single occasion with the new BoxKu (meaning MyBox). BoxKu increased personal pizza size from 6" to 7", whereas the order count increased by 38% and sales by 51% in its 1st month of introduction

IMPROVED SALES AND PERFORMANCE WITH PARTNER AGGREGATORS

Two key projects, powered by our partnerships with aggregators, have supported our sales growth this year.

Project Diamond 1 – margin improvement

- We adjusted prices on Aggregator platforms with an increase on the delivery fee, resulting in a 20 per cent margin improvement.
- Initial month upon roll out saw a significant drop in Aggregator sales performance (June 2022 since delivery fee had increased from RM5 to RM5.90). Then, sales performance started to pick up after two months, boosting more than 53 per cent in sales from the third month onwards.

Project Diamond 2 – price increase

- We initiated a price increase on our products in September 2022.
- In the first month, sales dropped by six per cent, but turned around quickly, increasing by 15 per cent by the second month. We attribute this to the improved average ticket per month.
- Our strategy is to continuously drive attractive bounce-back offers to offset the impact of the price increase for our customers.

SAVINGS THROUGH EFFICIENT OPERATIONS AND STRATEGIC PRICING

The seemingly simple change to Flatbox Operations significantly cut our clutter, storage requirements and reduced waste. Through streamlining the cut and box process, we saved RM4,000/month (approximately $AU 1290) in our 26 pilot stores (and we project future savings of RM38,000/month (~$AU 12,200), across the network based on 247 stores).

FINDING THE TROJAN HORSE WITH VALUE OFFER OF 2 REGULAR FOR RM19

Limited time offers provided great deals for customers and attracted more over-the-counter sales. Our takeaway '2 regular for RM19' boosted sales by 17 per cent from November and the '2 regular for RM29' delivery deal increased delivery by 31 per cent following introduction in January.

LIVING DOMINO'S VALUES

HELP PEOPLE TO GROW AND PROSPER

Our people are central to our operations and ongoing growth. We were proud of our key engagement and training initiatives during FY23 – including our Domino's War Cry and purpose statement, Badminton Club and Life@Domino's Facebook group (for employees only). We have worked to ensure our Domino's team feel part of a community, involving our staff at every new store opening, and providing free meals for store employees during important community events such as Ramadan and Hari Raya.

We implemented the Pride LMS (Learning Management System) to help further develop our staff in business strategy, customer services, and marketing skills. This training platform tool enables our store operations team to access relevant onboarding and training modules including via a mobile device when and where it suits them. It supports our management teams to gain skills in putting marketing strategies into practice for their stores.

We ran the Local Store Marketing (LSM) heroes and Double Viking programs, to encourage store operations teams to showcase the creative ways they could attract customers and increase store sales. Training our store operations teams in the 8FRAME method, to reduce unnecessary movement and steps throughout our pizza-making process, also improved efficiency.


2
Piza Sederhana
Hanya RM19
JIMAT RM52.80
2
Piza Sederhana
Hanya
RM19
2
Piza
Sederhana
Hanya
RM19

YEAR IN REVIEW

SINGAPORE

Despite operating within a smaller market, the Domino's Singapore team delivered outsized energy resulting in some impressive initiatives over the past year.

This year the country store count increased to 42 stores. We launched exciting new pizza products and launched a new website to provide a better ordering experience for our customers. This was followed by the Domino's Singapore App launch in June.

We attribute much of our success this year to enticing new 'limited time' offers and flavours that continue to keep our customers interested. This included the successful Mentaiko (chicken/prawn) and Cheeseburger (chicken/beef) pizzas.

Our 'Inflation buster' 50 per cent off campaign helped us to provide greater flexibility for customers. Customers could enjoy the discount whether or not their order included an odd or even number of pizzas – a change from previous campaigns which required two pizzas (or multiples of two) for discounts, such as a 'buy one, get one free'.

Like all other markets, our team faced challenges over the last year, the most significant being staff availability for stores. The Human Resources team responded by improving existing referral programs and switching their focus to hiring part-time team members to sustainably manage peak hour business demands. Their efforts were recognised with Domino's Singapore being awarded 42nd in Singapore's Best Employer Awards for 2023 (a significant improvement from 152nd place in 2022).

NEW PRODUCT
Cheeseburger pizza

STORES
OPENED
4

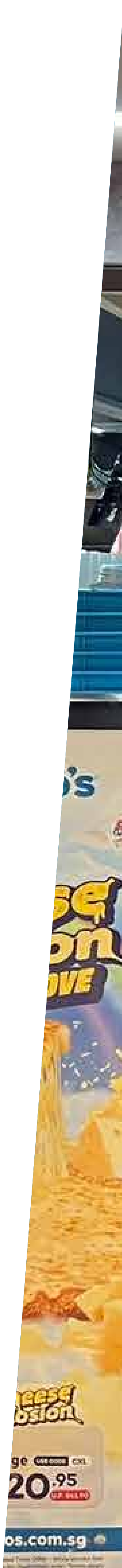
NEW PRODUCT
Mentaiko

LAUNCHED
new website and mobile app

LIVING DOMINO'S VALUES

BE GENEROUS AND PROVIDE JOYFUL EXPERIENCES

The Domino's Singapore team kept genuine community engagement front of mind when planning promotional experiences this year. We brought joy to local customers by providing 150 personal pizzas for our Muslim customers to enjoy when breaking their fast after Ramadan.



YEAR IN REVIEW

CAMBODIA

This year, we were pleased to welcome Domino's Cambodia, following acquisition in May 2023.

Although only recently joining the Domino's Pizza Enterprises Ltd family, Domino's Cambodia quickly confirmed our position as a serious player in the local pizza market.

Thanks to the dedicated Cambodia team and the operational and marketing expertise introduced from our other APAC markets, we are proving time and again what Domino's people can achieve when we work together.

Fastest delivery times across Domino's globally

Already, Domino's Cambodia is rated in the Top 3 for fastest delivery times across Domino's globally.

Domino's Cambodia took an aggressive approach to Local Store Marketing (LSM), including highly visible, on-the-ground campaign activities. We took an analytical approach to targeting customers, combining critical data elements (CDE) with a USD1.99 promotion to great effect – increasing the order count by 30 per cent.

We launched a restructured menu in August and swiftly saw margin improvement by four per cent. We followed this up by launching the popular seafood range in December 2022. We intend to serve our meals to even more customers and were pleased to open our newest store, PH Peng Huoth.

It remains early days yet for this newest member of the Domino's family. We will continue to focus on establishing the Domino's values within this exciting new market and look forward to sharing more of our performance achievements over the coming year.

DIRECTORS'

Group Highlights

CONTINUING OPERATIONS	FY22 UNDERLYING $ MIL	FY23 UNDERLYING $ MIL	+/(-) FY22 UNDERLYING %	FY23 STATUTORY $ MIL
Network Sales	3,918.0	4,005.6	2.24%	4,005.6
Revenue	2,271.3	2,351.5	3.53%	2,351.5
EBITDA	**405.2**	**355.2**	**-12.34%**	**273.9**
Depreciation & Amortisation	(130.4)	(141.7)	8.67%	(150.9)
EBIT	**274.8**	**213.5**	**-22.31%**	**123.0**
EBIT Margin	12.1%	9.1%		5.2%
Interest	(13.4)	(22.4)	67.16%	(22.4)
NPBT	**261.4**	**191.1**	**-26.89%**	**100.6**
Tax Expense	(80.1)	(58.3)	-27.22%	(31.6)
NPAT before Minority Interest	181.3	132.8	-26.75%	69.0
Minority Interest	(8.0)	(2.0)	-75.00%	(2.0)
NPAT	**173.3**	**130.8**	**-24.52%**	**67.0**

PERFORMANCE INDICATORS

EPS (basic)	209.5 cps	150.9 cps	-28.0%	76.1 cps
Dividend per share	173.5	135.5	-21.90%	135.5
Same Store Sales %	(0.3%)	(0.2%)		(0.2%)

REPORT

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Directors' Report

The directors of Domino's Pizza Enterprises Limited ("DPE Limited", or the "Company") submit herewith the annual financial report of the Company and its controlled entities ("the Group") for the financial year ended 02 July 2023. In order to comply with the provisions of the *Corporations Act 2001*, the Directors' Report as follows:

INFORMATION ABOUT THE DIRECTORS AND SENIOR MANAGEMENT

The names and particulars of the directors of the Company during or since the end of the financial year are:

NAME	POSITION	
Jack Cowin	Non-Executive Director	Appointed 20 March 2014
Grant Bourke	Independent Non-Executive Director	Appointed 24 August 2001
Lynda O'Grady	Independent Non-Executive Director	Appointed 16 April 2015
Ursula Schreiber	Independent Non-Executive Director	Appointed 30 November 2018
Doreen Huber	Independent Non-Executive Director	Appointed 21 February 2020
Tony Peake	Independent Non-Executive Director	Appointed 14 May 2021
Don Meij	Managing Director/Group Chief Executive Officer	Appointed 24 August 2001

DIRECTORSHIPS OF OTHER LISTED COMPANIES

Lynda O'Grady was appointed a director of Wagners Holding Company Limited on 08 November 2017 and was appointed a director of Rubicon Water Limited which was admitted to the Official List of the ASX on 31 August 2021. Doreen Huber was appointed a non-executive director of Ceconomy AG on 09 February 2022. There were no other directorships of other listed companies held by directors in the 3 years immediately before the end of the financial year.

DIRECTORS' SHAREHOLDINGS

The following table sets out each director's relevant interest in shares, debentures, and rights or options in shares or debentures of the Company as at the date of this report.

	DOMINO'S PIZZA ENTERPRISES LIMITED		
DIRECTORS	FULLY PAID ORDINARY SHARES NUMBER	SHARE OPTIONS NUMBER	CONVERTIBLE NOTES NUMBER
Jack Cowin	23,066,390	–	–
Grant Bourke	1,628,344	–	–
Lynda O'Grady	2,600	–	–
Ursula Schreiber	3,000	–	–
Doreen Huber	1,450	–	–
Tony Peake	4,000	–	–
Don Meij	1,667,969	316,320	–

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Information about the remuneration of directors and senior management is set out in the Remuneration Report of this Directors' Report on pages 156 to 172.

INFORMATION ABOUT THE DIRECTORS AND SENIOR MANAGEMENT (continued)

SHARE OPTIONS GRANTED TO DIRECTORS AND SENIOR MANAGEMENT

During and since the end of the financial year, an aggregate 100,071 share options were granted to the following directors and senior management of the Company as part of their remuneration.

DIRECTORS AND SENIOR MANAGEMENT	NUMBER OF OPTIONS GRANTED	ISSUING ENTITY	NUMBER OF ORDINARY SHARES UNDER OPTION
Don Meij	60,451	DPE Limited	316,320
Richard Coney	9,453	DPE Limited	83,514
Josh Kilimnik	10,545	DPE Limited	107,222
Andre ten Wolde	9,337	DPE Limited	80,180
Michael Gillespie	10,285	DPE Limited	86,644

COMPANY SECRETARY

Craig Ryan:
General Counsel & Company Secretary

Craig is a solicitor of the Supreme Court of Queensland, Australian Capital Territory and New South Wales and a Solicitor of the High Court of Australia with over 24 years' experience. Craig joined the Company as General Counsel on 08 August 2006 and was appointed to the position of Company Secretary on 18 September 2006. Craig holds a Bachelor of Arts and a Bachelor of Laws from the University of Queensland and a Masters of Laws from the University of New South Wales. Craig is also a Chartered Secretary with the Governance Institute of Australia.

PRINCIPAL ACTIVITIES

The Group's principal activities in the course of the financial year were the operation of retail food outlets and the operation of franchise services. During the financial year there were no significant changes in the nature of those activities.

REVIEW OF OPERATIONS

The activities and financial performance of the Group and each of its operating segments for the financial year are set out on pages 6 to 9.

EXPLANATION OF STATUTORY PROFIT TO UNDERLYING PROFIT

Statutory profit after tax for continuing operations is prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards, which comply with International Financial Reporting Standards (IFRS).

Statutory profit after tax for continuing operations of $69.0 million includes a loss of $63.7 million after tax treated as significant items. Excluding these items, the Underlying Profit after tax from continuing operations was $132.7 million, 27% down on the prior corresponding period.

Underlying profit after tax from continuing operations 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 from continuing operations 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.

REVIEW OF OPERATIONS (continued)

The below provides a reconciliation of Statutory Profit from continuing operations to Underlying Profit from continuing operations including earnings before interest and tax from continuing operations (EBIT), and earnings before interest, tax, depreciation and amortisation (EBITDA) which adjusts for significant items costs/(benefits):

	FOR THE YEAR ENDED 02 JULY 2023						
				UNDERLYING			
	STATUTORY $'000	**SIGNIFICANT ITEMS $'000**	**UNDERLYING $'000**	**ANZ $'000**	**EUROPE $'000**	**ASIA $'000**	**UNALLOCATED $'000**
Revenue	**2,351,486**	**–**	**2,351,486**	**800,654**	**735,709**	**815,123**	**–**
EBITDA	**273,931**	**81,234**	**355,165**	**149,970**	**103,470**	**122,295**	**(20,570)**
Depreciation & amortisation	**(150,923)**	**9,176**	**(141,747)**	**(37,561)**	**(38,904)**	**(62,081)**	**(3,201)**
EBIT	**123,008**	**90,410**	**213,418**	**112,409**	**64,566**	**60,214**	**(23,771)**
Net finance costs	**(22,370)**	**–**	**(22,370)**				
Net profit before tax	**100,638**	**90,410**	**191,048**				
Income tax expense	**(31,603)**	**(26,698)**	**(58,301)**				
Net Profit after tax	**69,035**	**63,712**	**132,747**				
Profit attributable to:							
Owners of the parent	**67,009**	**63,712**	**130,721**				
Non-controlling interest	**2,026**	**–**	**2,026**				
	69,035	**63,712**	**132,747**				

	YEAR ENDED 03 JULY 2022						
				UNDERLYING			
	STATUTORY $'000	SIGNIFICANT ITEMS $'000	UNDERLYING $'000	ANZ $'000	EUROPE $'000	ASIA $'000	UNALLOCATED $'000
Revenue	2,271,262	–	2,271,262	782,469	686,157	802,636	–
EBITDA	396,406	8,803	405,209	156,594	128,882	140,483	(20,750)
Depreciation & amortisation	(130,430)	–	(130,430)	(35,403)	(38,154)	(55,507)	(1,366)
EBIT	265,976	8,803	274,779	121,191	90,728	84,976	(22,116)
Net finance costs	(13,377)	–	(13,377)				
Net profit before tax	252,599	8,803	261,402				
Income tax expense	(77,587)	(2,544)	(80,131)				
Net Profit after tax	175,012	6,259	181,271				
Profit attributable to:							
Owners of the parent	166,996	6,259	173,255				
Non-controlling interest	8,016	–	8,016				
	175,012	6,259	181,271				

REVIEW OF OPERATIONS (continued)

SIGNIFICANT ITEMS

On 13 June 2023, the Group announced initiatives to deliver material, near term, cost savings, improving efficiency and building a stronger foundation for future growth.

The Group reduced the size of its corporate store network, closing underperforming stores, accelerating the refranchising of a number of corporate stores and the closure of some operations. As a result, underperforming stores open for some time but not expected to reach sustainable levels of sales or profitability were identified to be closed. Furthermore the Group will partner with experienced franchisees to franchise corporate stores. The costs recognised in this initiative include the write down in the value of corporate property, plant and equipment, the write down of goodwill allocated to the corporate stores, the impairment of right of use assets associated with the lease of the location of the store or operation, onerous contract obligations and employee terminations.

Significant items in the current and comparative periods include external legal costs that relates to discrete matters and cost relating to structural changes in the business as outlined below.

Statutory profit before tax from continuing operations was $100.6 million, this included the following significant costs excluded from Underlying Profit after tax as outlined below:

CURRENT PERIOD SIGNIFICANT ITEMS

ANZ

- External costs of $5.9 million pertaining to the Fast Food Industry Award class action.
- External costs of $3.6 million related to acquisition and integration costs incurred in relation to Domino's Malaysia, Singapore and Cambodia.
- Impairments, write-downs and disposals of property, plant and equipment, goodwill, right of use assets and inventories in relation to corporate stores and operations of $25.4 million.
- Accelerated amortisation of legacy intangible assets of $4.9 million.

EUROPE

- External costs of $3.6 million in relation to Pizza Sprint legal proceedings.
- Impairments, write-downs and disposals of property, plant and equipment, goodwill, right of use assets and inventories in relation to corporate stores and operations of $31.8 million.
- Accelerated amortisation of legacy intangible assets of $1.7 million.

ASIA

- Impairments, write-downs and disposals of property, plant and equipment, goodwill, right of use assets and inventories in relation to corporate stores and operations of $12.4 million.
- Accelerated amortisation of legacy intangible assets of $2.6 million.
- Other items including changes in the fair value of contingent consideration in relation to the acquisition of Domino's Malaysia, Singapore and Cambodia ($1.5) million.

PRIOR PERIOD SIGNIFICANT ITEMS

- External costs of $3.5 million pertaining to the Fast Food Industry Award class action.
- External costs of $1.4 million incurred in relation to the acquisition of Domino's Taiwan.
- External costs of $1.8 million incurred in relation to acquisition of Domino's Pizza businesses in Malaysia, Singapore and Cambodia and other investigatory diligence costs.
- External costs of $2.1 million related to litigation costs pertaining to Pizza Sprint and Speed Rabbit Pizza.

Directors' Report

continued

REVIEW OF OPERATIONS (continued)

CHANGES IN STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group that occurred during the financial year.

SUBSEQUENT EVENTS

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years other than the matters disclosed in note 32.

ENVIRONMENTAL AND SOCIAL SUSTAINABILITY RISKS

The Group is currently not subject to any significant environmental and/or social sustainability risks that have an immediate impact on its operations.

However, the directors understand the Group operates in a rapidly changing global landscape with increasing demands from its stakeholders regarding environmental and social responsibility, risk management and associated reporting. In response, the Group will release its third consecutive Annual Sustainability Report this year, with the aim of communicating to shareholders in a transparent manner its activities to address its environmental, social and governance efforts. This year's Sustainability Report will build on from last year's report, and report with reference to the Global Reporting Initiative (GRI) framework and SASB (Sustainability Accounting Standards Board), which are broadly accepted existing global ESG frameworks. An ESG update has been provided in the Annual Report and the 2023 Sustainability Report is anticipated to be released before the end of calendar year 2023.

To the best of the directors' knowledge, the Group complies with its current obligations under environmental regulations and holds all licenses required to undertake its business activities.

CORPORATE GOVERNANCE

A copy of Domino's Pizza Enterprises full 2023 Corporate Governance Statement, which provides detailed information about governance, and a copy of Domino's Pizza Enterprises' Appendix 4G which sets out the Group's compliance with the recommendations in the third edition of the ASX Corporate Governance Council's Principles and Recommendations (ASX Principles) is available on the corporate governance section of the Group's website at **https://investors.dominos.com.au/corporate-governance**.

DIVIDENDS

In respect of the financial year ended 02 July 2023, an interim dividend of 67.4 cents per share franked to 60% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 16 March 2023. On the 23 August 2023, the Company declared an unfranked final dividend for FY23 of 42.6 cents per share. The dividend will have a record date of 29 August 2023 and a payment date of 28 September 2023. The Company reactivated its Dividend Reinvestment Plan for eligible shareholders residing in Australia or New Zealand for the FY23 final dividend which will be fully underwritten by Morgan Stanley.

Directors' Report
continued

SHARES UNDER OPTION OR ISSUED ON EXERCISE OF OPTIONS

Details of unissued shares or interests under option as at the date of this report are:

ISSUING ENTITY	SERIES	NUMBER OF SHARES UNDER OPTION	CLASS OF SHARES	EXERCISE PRICE OF OPTIONS	EXPIRY DATE OF OPTIONS
DPE Limited	35	37,935	Ordinary	$50.25	01 Sep 23
DPE Limited	36	2,378	Ordinary	Nil	20 Aug 29
DPE Limited	37	2,533	Ordinary	Nil	18 Aug 30
DPE Limited	38	156,937	Ordinary	$84.28	01 Sep 24
DPE Limited	39	560,312	Ordinary	$84.28	01 Sep 24
DPE Limited	40	1,420	Ordinary	Nil	07 Jun 31
DPE Limited	41	2,966	Ordinary	Nil	28 May 31
DPE Limited	42	95,975	Ordinary	$127.09	31 Aug 25
DPE Limited	43	9,702	Ordinary	Nil	31 Oct 31
DPE Limited	44	420,937	Ordinary	$69.58	31 Aug 25
DPE Limited	45	13,419	Ordinary	Nil	23 Aug 32
DPE Limited	46	782	Ordinary	Nil	21 Nov 32
DPE Limited	47	54,265	Ordinary	Nil	30 Jun 25
DPE Limited	48	107,232	Ordinary	Nil	30 Jun 25

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme. Details of shares or interests issued during or since the end of the financial year as a result of exercise of an option are:

ISSUING ENTITY	SERIES	NUMBER OF SHARES UNDER OPTION	CLASS OF SHARES	GRANT DATE FAIR VALUE	AMOUNT UNPAID ON SHARES
DPE Limited	32	33,250	Ordinary	3.98	$nil
DPE Limited	35	7,970	Ordinary	11.79	$nil
DPE Limited	37	505	Ordinary	81.37	$nil
DPE Limited	43	2,293	Ordinary	135.75	$nil
DPE Limited	45	360	Ordinary	67.51	$nil

INDEMNIFICATION OF OFFICERS AND AUDITORS

The Company has entered into deeds of indemnity, insurance and access with each director. To the extent permitted by law and subject to the restrictions in s.199A of the *Corporations Act 2001*, the Company must continuously indemnify each director against liability (including liability for costs and expenses) for an act or omission in the capacity of director. However, this does not apply in respect of any of the following:

- a liability to the Company or a related body corporate;
- a liability to some other person that arises from conduct involving a lack of good faith;
- a liability for costs and expenses incurred by the director in defending civil or criminal proceedings in which judgement is given against the officer or in which the officer is not acquitted; or
- a liability for costs and expenses incurred by the director regarding an unsuccessful application for relief under the *Corporations Act 2001* in connection with the proceedings referred to above.

The Company has also agreed to provide the directors with access to Board documents circulated during the directors' term in office.

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the Company, the Company Secretary and all senior management of the Company and of any related body corporate against a liability incurred as such a director, secretary or senior management to the extent permitted by the *Corporations Act 2001*.

INDEMNIFICATION OF OFFICERS AND AUDITORS (continued)

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor. The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contract as such disclosure is prohibited under the terms of the contract.

DIRECTORS' MEETINGS

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, nine (9) Board meetings, four (4) Nomination, Culture and Remuneration Committee meetings and four (4) Audit and Risk Committee meetings were held.

	BOARD OF DIRECTORS		NOMINATION, CULTURE AND REMUNERATION COMMITTEE		AUDIT AND RISK COMMITTEE	
	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED
Jack Cowin	9	8	4	4	–	–
Grant Bourke	9	9	4	4	4	4
Lynda O'Grady	9	9	4	4	4	4
Ursula Schreiber	9	9	4	4	4	4
Doreen Huber	9	8	4	4	–	–
Tony Peake	9	9	4	4	4	4
Don Meij	9	9	–	–	–	–

DPE directors have been on the boards of Domino's Pizza Japan and Domino's Pizza Germany since DPE started operating in those markets. DPE also has more informal "Advisory Boards" for Australia/NZ, Benelux and France. At least two of the DPE directors sit on each of the five boards. The boards meet on a quarterly basis. The meetings are mutually beneficial, providing DPE directors with a better understanding of local management and business issues, while also allowing DPE directors the opportunity to provide guidance to local management more directly.

It is proposed to rotate the DPE directors onto different advisory boards every two years so that:

(a) DPE directors receive in-depth exposure to different parts of the group over time, and;

(b) local management receive the benefit of engagement with different DPE Board Members.

NON-AUDIT SERVICES

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 36 to the financial statements. The directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence of auditors imposed by the *Corporations Act 2001*.

The directors are of the opinion that the services as disclosed in note 36 to the financial statements do not compromise the external auditor's independence, based on the advice received from the Audit and Risk Committee, for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct *APES 110 Code of Ethics for Professional Accountants* issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 178 of the Annual Report.

Directors' Report
continued

ROUNDING OF AMOUNTS

The Company is a company of the kind referred to in ASIC Corporations Legislative Instrument 2016/191 (Rounding in Financial/Directors' Report), dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

LETTER FROM THE CHAIR OF THE NOMINATION, CULTURE AND REMUNERATION COMMITTEE

Dear fellow Shareholders,

On behalf of the Board, I am pleased to present the remuneration report for FY23.

Our approach to remuneration is under review regularly to ensure it remains fit for purpose in a changing and expanding organisation, an evolving market context and in culturally diverse business environments.

The Board is deeply committed to ensuring the remuneration framework developed for Key Management Personnel (KMP) remains relevant across a growing range of markets; and the changing needs and expectations of a long-standing executive group. Importantly it needs to be aligned with shareholder value creation over the long-term.

At the last AGM we received shareholder approval for the renegotiated contract of the Group CEO and Managing Director, commencing in FY23. This was based on a Board review of Mr Meij's remuneration, including benchmarking against other ASX listed organisations of a similar size. This review showed that Mr Meij was positioned below the market median, which the Board felt was not reflective of his capability and performance. Over the past five years the business has transformed under Mr Meij's leadership and today operates across twelve markets. His new remuneration package is more reflective of Domino's size and footprint, and his impact on establishing and maintaining the brand globally.

FY23 REMUNERATION OUTCOMES

The past 12 months have been challenging for both the business and the communities in which we operate. The FY23 remuneration outcomes reflect the overall performance of the business with low short-term incentive (STI) vesting outcomes and no long-term incentive (LTI) vesting.

In FY23 fixed remuneration (FR) increases were based on a combination of factors, including benchmarking data from the market and role changes.

STI results for our senior executive team averaged 17.4% with the Group CEO receiving 0% of his bonus opportunity.

Details of the LTI outcomes are outlined on page 164 of the report. For FY23 only a portion of the LTI Options (relating to FY21 – FY23 performance period for ANZ and Japan Executives) vested. No LTI vested for Group or European roles.

The Board has absolute discretion to adjust the STI and LTI outcomes, and in FY23 decided not to make any changes.

We are pleased with the current steps being taken by Domino's to streamline core operations to leverage global reach and scale, laying a foundation for future success that is sustainable for the long-term.

I would like to thank you for your support and interest in our Company, and look forward to your attendance at our Annual General Meeting currently planned to be held on 01 November 2023.

Uschi Schreiber

Uschi Schreiber
Chair, Nomination, Culture and Remuneration Committee

REMUNERATION REPORT 2023

This Remuneration Report (Audited), which forms part of the Directors' Report, sets out information about the remuneration of the Domino's Key Management Personnel (KMP) for the financial year ended 02 July 2023.

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Remuneration report (continued)

1 FY23 FACTS AT A GLANCE

In FY23, we made moderate increases to fixed remuneration, with the exception of the Group CEO and Managing Director where an adjustment was made to close the benchmarking gap identified against other ASX and global listed organisations of a similar size.

The STI and LTI outcomes, as outlined below, reflect the overall performance of the business during the relevant performance periods.

DIRECTOR OR KMP	TOTAL FR (i) $	TOTAL STI AWARD (ii) $	STI AWARDED AS A PERCENTAGE OF MAXIMUM %	TOTAL LTI VESTED (iii) $	LTI VESTED AS A PERCENTAGE OF MAXIMUM %
Don Meij	1,681,743	–	0%	–	0%
Richard Coney	624,167	64,500	10%	–	0%
Josh Kilimnik	728,112	210,000	30%	247,440	70%
Andre ten Wolde	683,598	213,478	30%	–	0%
Michael Gillespie	637,048	114,159	17%	–	0%

(i) Reflects salaries and superannuation.

(ii) The value earned cash during the year ended 02 July 2023 and paid in FY24, and the value earned deferred STI for rights of grants to be issued in FY24 which are both in relation to the performance targets achieved for FY23.

(iii) LTI vested is determined based on amount vested during the year, valued on the intrinsic value being the share price at the first exercise date less the exercise price, then multiplied by the number of options vested.

2 KEY MANAGEMENT PERSONNEL

Our remuneration report sets out remuneration information for Domino's KMP as set out in the table below.

	NAME	POSITION	TERM AS KMP
NON-EXECUTIVE KMP	Jack Cowin	Non-Executive Chairman	Full year
	Grant Bourke	Independent Non-Executive Director	Full year
	Lynda O'Grady	Independent Non-Executive Director	Full year
	Ursula Schreiber	Independent Non-Executive Director	Full year
	Doreen Huber	Independent Non-Executive Director	Full year
	Tony Peake	Independent Non-Executive Director	Full year
EXECUTIVE KMP	Don Meij	Managing Director/Group Chief Executive Officer (Group CEO)	Full year
	Richard Coney	Group Chief Financial Officer (Group CFO)	Full year
	Josh Kilimnik	Chief Executive Officer APAC	Full year
	Andre ten Wolde	Chief Executive Officer Europe	Full year
	Michael Gillespie	Group Chief Digital and Experience Officer	Full year

There have been no changes to KMP since the end of FY23 and the release of this Report.

Remuneration report (continued)

3 OUR REMUNERATION PROCESS AT A GLANCE

Our remuneration policy ensures executive remuneration is aligned to our values and purpose. Remuneration is designed to reflect individual duties, accountabilities and level of performance; and to be market competitive in the relevant location to attract, retain and motivate people of the highest quality.

Outlined below are our values and purpose, and how they align to our remuneration principles and executive remuneration structure.

SUPPORTED BY APPROPRIATE REWARD GOVERNANCE MECHANISMS AND BOARD OVERSIGHT

LEAD BY

OUR VALUES

- Crush convention
- Be generous and provide joyful experiences
- Invest to create devotion
- Do the right thing because it's the right thing to do
- Help people grow and prosper

DRIVEN BY THE FACT

OUR PIZZA BRINGS PEOPLE CLOSER

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

+

At our best
We smash the prevailing wisdom which says you can't have quality, speed and low price... enabling us to put the world's most delicious and versatile bonding food within reach of every person

GUIDED BY

OUR EXECUTIVE REMUNERATION PRINCIPLES

- Attract, motivate and retain highly skilled executives across diverse geographies
- Reward capability and experience and provide recognition for the contribution to the Company's overall objectives
- Achieve an appropriate balance between fixed and variable remuneration
- Align to shareholder interests through equity components

OUR REMUNERATION STRUCTURE

CONSISTS OF

- Local market competitive fixed remuneration
- Financially focused short-term incentive and strategic initiatives
- Shareholder aligned long-term incentives

Remuneration report (continued)

4 CHANGES WE'VE MADE IN FY23

In a rapidly evolving market, we review our approach to remuneration regularly. The Nomination, Culture and Remuneration Committee (NCRC) made changes to executive remuneration for FY23 to better fit our increasingly global and mature organisation and simplify our approach.

ELEMENT OF REWARD	RATIONALE
Group CEO contract renewal	The Group CEO's five-year contract expired in November 2022 and a new contract was negotiated. The changes to the Group CEO remuneration arrangements were approved by shareholders at the 2022 Annual General Meeting which reflect the current size and shape of the organisation and recognise the performance of the business achieved under his leadership. The changes made to the Group CEO remuneration were: • Re-weighting the remuneration mix to better reflect the maturing nature of the business and align with ASX companies of a similar size; • Increasing fixed remuneration to close the benchmarking gap identified against other ASX and global listed organisations of a similar size; and • Providing a temporary Special Acquisition Incentive Opportunity linked to the successful integration of the Malaysian, Singaporean and Cambodian acquisitions.
Fixed remuneration review	Other select executives received fixed remuneration increases between 7.5% and 13% based on the outcomes of remuneration benchmarking and the size of the role.
Updated approach to STI deferral	STI deferral removed for executives outside Australia and New Zealand in recognition of local market practice, tax, and legal considerations.
LTI vehicle replaced with performance rights	Performance rights have been introduced to replace share options as the Board believes they better reflect a vehicle that is common, can be easily understood across Domino's operating geographies and on the ASX, and embodies the current stage of business maturity.

Remuneration report (continued)

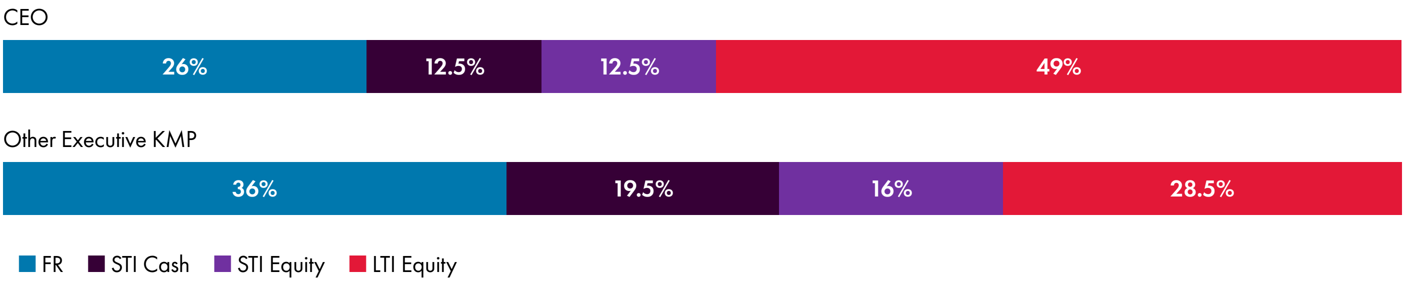
5 OUR REMUNERATION FRAMEWORK FOR EXECUTIVE KMP

Our performance depends upon the quality of our people. To prosper, we must attract, motivate and retain highly skilled executives and team members. The Executive KMP remuneration structure is designed to strike an appropriate balance between fixed and variable pay, rewarding capability and experience while providing recognition for smashing individual and Company goals.

ELEMENT OF REWARD	PURPOSE & PHILOSOPHY	LINK TO PERFORMANCE
FIXED REMUNERATION (FR) Base salary plus fringe benefits tax (FBT) charges related to employee benefits plus superannuation or pension equivalents.	• Set at a level to attract and retain experienced people. • Benchmarked against ASX listed companies, with similar revenue and market capitalisation, and Quick Service Restaurant (QSR) comparators overseas and within Australia.	• Considers performance in role, experience, accountability, and Domino's performance based on market capitalisation and revenue.
SHORT-TERM INCENTIVE (STI) Annual incentive based on Domino's and individual performance delivered as cash and/or rights.	• Designed to recognise when we achieve Board approved targets for the Group.	• Payable subject to Key Performance Indicators (KPIs) set each year by the Board. KPIs are reflective of Group and geographically relevant financial and individual performance targets aligned to the Domino's business strategy.
LONG-TERM INCENTIVE (LTI) Three-year incentive linked to Group performance delivered through performance rights.	• Reward executives for sustainable long-term growth aligned to shareholder value creation.	• Awards only vest on achievement of predetermined EPS and new store opening targets. LTI related to the new store opening target only vests if a positive total shareholder return (TSR) is achieved over the term of the performance period.

PAY MIX (MAXIMUM OPPORTUNITY)

The pay mix at maximum is reviewed annually to ensure it remains competitive and promotes alignment to our shareholders.



FIXED REMUNERATION

Fixed remuneration consists of base remuneration which is calculated on a total cost basis and includes any FBT (charges related to employee benefits) as well as employer contributions to superannuation or pension equivalent.

The NCRC undertakes extensive benchmarking of the Group CEO and executives to ensure remuneration packages attract the right people for Domino's, to ensure they are geographically appropriate, consider internal relativities and meet ASX market expectations. The benchmarking data used is a combination of ASX listed remuneration data from similar sized companies (using revenue and market capitalisation), and data from Quick Service Restaurant (QSR) comparator groups overseas and within Australia. This data feeds into a hybrid data set from which fixed remuneration, STI, LTI and total remuneration packages are determined.

Remuneration report (continued)

SHORT-TERM INCENTIVE

Our STI is 'at risk' and is provided only based on achievement of annual targets set by the Board in line with the Domino's Group plan. The table below outlines the key design features of the executive FY23 STI plan.

DESIGN FEATURE	APPROACH
STI OPPORTUNITY	The STI maximum opportunity awarded to each executive is outlined in the table below.

ROLE	FY23 MAXIMUM STI (% OF FR)
Group CEO*	96%
Other Executive KMP	100%

DESIGN FEATURE	APPROACH
PERFORMANCE MEASURES & ASSESSMENT	STI outcomes are assessed against a scorecard of our strategic priorities and focus on the financial performance across our operating markets. The relevant performance criteria and weightings for FY23 are outlined below.

	WEIGHTING				
KPI	**GROUP CEO**	**CFO**	**CEO APAC**	**CEO EUROPE**	**GROUP CHIEF DIGITAL AND EXPERIENCE OFFICER**
Geographic EBIT	100%*	70%	70%	70%	60%
Individual strategic performance objectives	–	30%	30%	30%	40%

* For the Group CEO, FY23 STI scorecard reflects a combination of geographic EBIT outcomes across our operating markets.

DESIGN FEATURE	APPROACH
DEFERRAL	For the Group CEO, 50% of the STI outcome is deferred in share rights for 12 months. For other Executive KMP in Australia and New Zealand, 45% of the STI is deferred in rights for 12 months. In recognition of local market norms and legal/tax implications executives outside Australia and New Zealand do not participate in STI deferral. The number of rights granted to participants is equal to the deferral opportunity divided by the volume weighted average price (VWAP) of a share over ten trading days.
CESSATION OF EMPLOYMENT	Where employment ceases as a "good leaver" (i.e., for reasons including redundancy, retirement, death or total permanent disability or as otherwise agreed), rights will continue to be held on the same terms at the discretion of the Board. If a participant ceases for any other reason, rights will immediately lapse. The Board retains discretion to determine a different treatment of rights on cessation of employment.

SPECIAL ACQUISITION INCENTIVE

The Group CEO and the CEO APAC's STI opportunities were temporarily increased to provide an additional award aligned to the successful integration of our newly acquired businesses in Malaysia, Singapore and Cambodia. The Special Acquisition Incentive Opportunity reflects an important opportunity for us to increase our footprint in Asia.

The award reflects a temporary additional opportunity for key roles involved in the initial integration for FY23, FY24 and FY25. The maximum opportunity is $750,000 for the Group CEO and $400,000 for the CEO APAC. Performance is measured against calendar year 2023 and 2024 (given the timing of the acquisition) and will be tested post the release of respective Half 1 results in each year.

Performance is assessed against EBITDA of the acquired organisations.

Remuneration report (continued)

LONG-TERM INCENTIVE

The NCRC considers this equity performance-linked remuneration structure to appropriately award our executive team for contributing to shareholder outcomes over the longer term.

DESIGN FEATURE	APPROACH
LTI OPPORTUNITY	The LTI opportunity awarded to each executive is outlined in the table below.

ROLE	FY23 MAXIMUM LTI (% OF FR)
Group CEO	186%
Other Executive KMP	80%

PERFORMANCE PERIOD

Three-year performance period

PERFORMANCE MEASURES & ASSESSMENT

The below measures have been chosen based on relevance to our business strategy and direct alignment to shareholder return. The measures balance the backward looking performance indicator in basic EPS and the forward looking new store growth, which is our primary indicator of future shareholder return.

Vesting of the LTI is subject to:

- 70% basic EPS growth: reflects the company's net profit after tax divided by the total number of shares on issue. EPS is calculated on a 'constant currency' basis; and
- 30% organic new store openings: reflects the number of new stores opened across the Group, excluding those acquired as a result of transaction activity.
- TSR gateway: No performance rights subject to the organic new store openings measure will vest under the new store growth portion unless a positive TSR gateway is achieved.

These performance conditions will vest in accordance with the schedule shown in the tables below:

EPS COMPOUND ANNUAL GROWTH RATE	PORTION VESTING
Less than 8%	0%
At 8%	30%
Between 8% and 15%	Straight line vesting
At or above 15%	100%

NEW STORE ANNUAL GROWTH RATE	PORTION VESTING
Less than 7%	0%
At 7%	25%
Between 7% and 10%	Straight line vesting
At or above 10%	100%

Vesting of performance rights under the new store growth hurdle are subject to meeting a positive TSR gateway over the performance period.

INSTRUMENT

Each performance right is an entitlement to receive one share (or a cash payment of equivalent value at the Board's discretion).

A participant will be allocated a number of shares calculated by reference to their LTI opportunity divided by VWAP of a share over ten trading days.

Remuneration report (continued)

DESIGN FEATURE	APPROACH
CESSATION OF EMPLOYMENT	Where employment ceases for a "good leaver" reason, all vested and unvested performance rights will continue on the same terms. For unvested performance rights, the number of performance rights that vest will be pro-rated to reflect the period of time that has elapsed from the grant date to the date of cessation. At the Board's discretion, if a participant ceases for any other reason, performance rights will immediately lapse, and any shares held subject to a trading restriction will immediately be forfeited.

6 FY23 PERFORMANCE AND REMUNERATION OUTCOMES

The Managing Director/Group CEO and other Executive KMP received fixed remuneration increases averaging 15.30% during FY23. A number of executives received increases in FY23 that reflected a change in role or increase in responsibility. Where an executive was significantly outside the market competitive ranges, the NCRC determined that it would be appropriate to transition those executives to the new remuneration levels over a number of years.

The performance across the Group during FY23 reflects decisions made to deliver a stronger long-term business while balancing short-term inflationary pressures. This is reflected in our financial performance including Network Sales of $4 billion, growth of +2.2% (vs FY22) and network expansion of +395 stores (+11.7%). Accordingly, STI and LTI achievements were lower than the prior corresponding year.

The results of the STI reflected the overall performance of the business in each market and the individual strategic performance objectives of KMP. The options granted under our FY20 LTI plan were eligible to vest during FY22.

LINK BETWEEN PAY AND PERFORMANCE

The remuneration outcomes for our KMP are aligned to our short and long-term performance outcomes.

The tables below set out summary information about the Group's earnings and movements in shareholder wealth for the five years to 02 July 2023:

	02 JULY 2023 $'000	03 JULY 2022 (i) $'000	27 JUNE 2021 (ii) $'000	28 JUNE 2020 $'000	30 JUNE 2019 $'000
Group continuing operations EBIT	123,008	265,976	287,378	217,940	173,417
Basic earnings per share (cents) from continuing operations (iii)	139.4	190.6	218.1	169.1	165.0
Organic new store openings	205	294	285	163	179
Annual total shareholder return (%)	(31)%	(41)%	77%	83%	(26)%
Total annual dividend per share (cents)	101.0	156.5	173.5	119.3	115.5
CEO STI outcome as % of max	0.0%	23.2%	96.6%	15.0%	15.0%
CEO LTI outcome as % of max	0.0%	0.0%	0.0%	0.0%	100%

(i) Results for the year ending 03 July 2022 have been restated to reflect continuing operations, with the operations of Denmark Market being classified as a discontinued operation.

(ii) Results for the year ending 27 June 2021 have been restated to reflect the implementation of an IFRIC agenda decision clarifying the accounting treatment of SaaS arrangements.

(iii) Performance is measured on underlying earnings per share.

Directors' Report
continued

Remuneration report (continued)

FY23 STI OUTCOMES

The following table outlines performance against the STI scorecard for the Group CEO in FY23.

KEY PERFORMANCE INDICATOR	WEIGHTING	PERFORMANCE OUTCOME	FY23 RESULT
ANZ EBIT	25%	Below threshold	Target not achieved
Japan & Taiwan EBIT	25%	Below threshold	Target not achieved
Germany & Denmark EBIT	20%	Below threshold	Target not achieved
France EBIT	15%	Below threshold	Target not achieved
Benelux EBIT	15%	Below threshold	Target not achieved

Remuneration outcomes for FY23 reflect the financial performance of the business with only project outcomes achieved by KMP.

The table below shows the STI outcomes for each executive as approved by the Board based on a recommendation by the NCRC. The Board believes the outcomes for each executive fairly reflects their contribution to our organisation and appropriate alignment with our key stakeholders.

DIRECTOR OR KMP	TOTAL STI AWARD $	CASH COMPONENT $	DEFERRED COMPONENT $	MAXIMUM STI $	STI AWARDED AS A PERCENTAGE OF MAXIMUM %	STI FOREFEITED IN YEAR AS A PERCENTAGE OF MAXIMUM %
Don Meij	–	–	–	1,650,000	0%	100%
Richard Coney	64,500	35,475	29,025	645,000	10%	90%
Josh Kilimnik	210,000	115,500	94,500	700,000	30%	70%
Andre ten Wolde	213,478	117,413	96,065	711,592	30%	70%
Michael Gillespie	114,159	62,788	51,371	676,500	17%	83%

FY23 LTI VESTING OUTCOMES

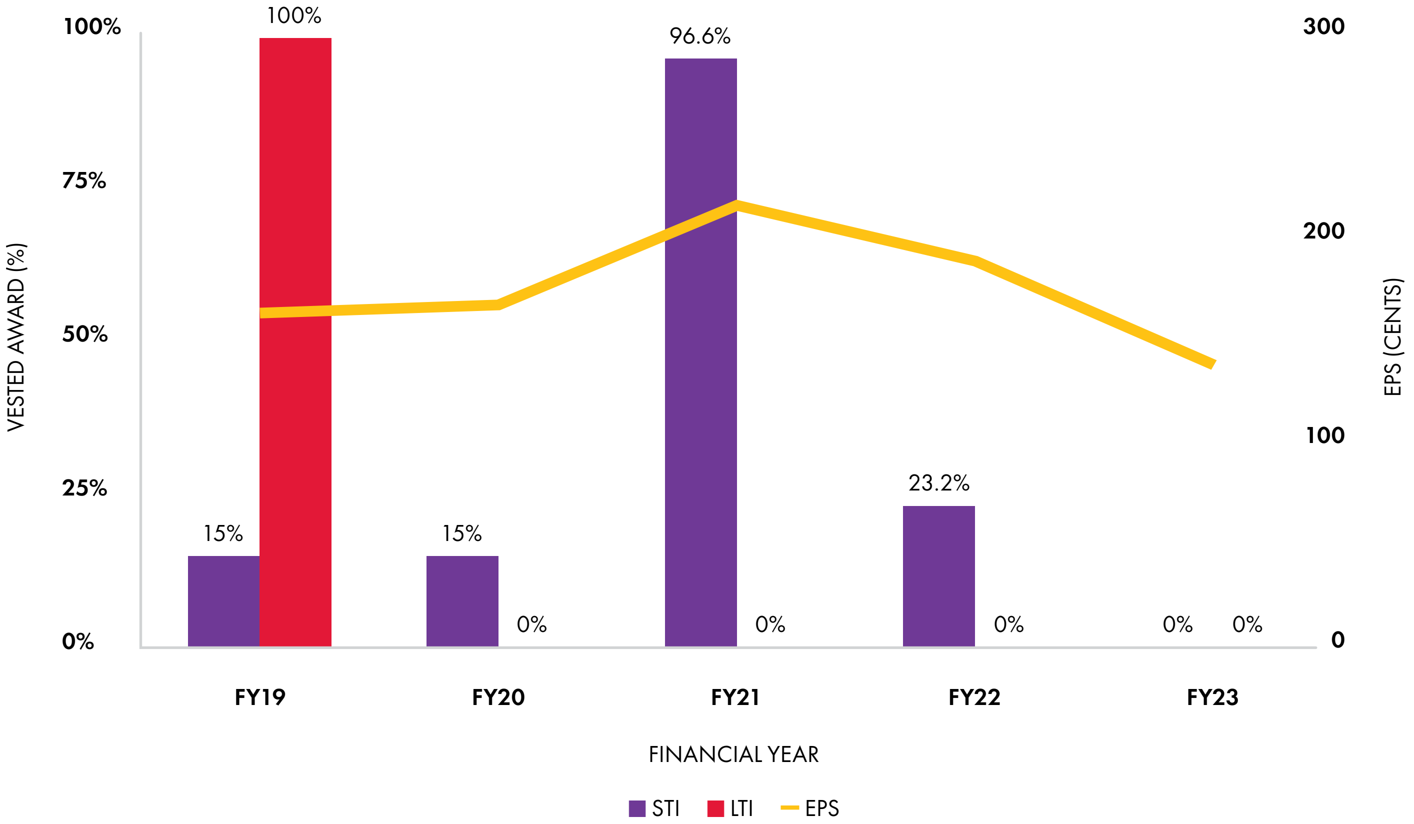
The options granted under our FY20 LTI plan were eligible to vest during FY23. The following performance measures were applied for each Executive KMP:

PERFORMANCE MEASURE	RESULT	PROPORTION OF OPTIONS VESTING	CAN BE EXERCISED UNTIL
Group EPS percentage growth over the relevant performance period	< 6% EPS growth	0%	N/A
ANZ EBIT	> 90% and < 105%	Straight line vesting	N/A
Europe EBIT	< 90% of target	0%	N/A
Japan EBIT	> 105% of target	100%	01 Sep 23

Remuneration report (continued)

GROUP CEO INCENTIVE OUTCOMES OVER TIME

The Board considers both STI and LTI to be true 'at risk' elements of the executive's remuneration. Over the past five years, the Group CEO's STI and LTI outcomes have varied significantly based on what we have achieved as a team. The following chart shows the outcomes of the Group CEO's STI and LTI plans in the year ended 02 July 2023, and the four prior financial years.



FY23 REALISED REMUNERATION

2023 executive remuneration outcomes for our executives are aligned to short and long-term performance outcomes.

EXECUTIVE KMP	FIXED REMUNERATION[i] $	CASH STI[ii] $	DEFERRED STI[iii] $	LTI VESTED[iv] $	TOTAL
Group CEO	1,681,743	–	417,617	–	2,099,360
Group Chief Financial Officer	624,167	35,475	47,460	–	707,102
Chief Executive Officer APAC	728,112	115,500	70,818	247,440	1,161,870
Chief Executive Officer Europe	683,598	117,413	14,650	–	815,661
Group Chief Digital and Experience Officer	637,048	62,788	74,734	–	774,570

(i) Reflects salaries and superannuation.

(ii) The value earned cash during the year ended 02 July 2023 and paid in FY24 which is in relation to the performance targets achieved for FY23.

(iii) The value of deferred STI is determined based on the number of rights granted during the year ended 02 July 2023, for performance targets achieved for FY22, multiplied by the share price at the date of grant.

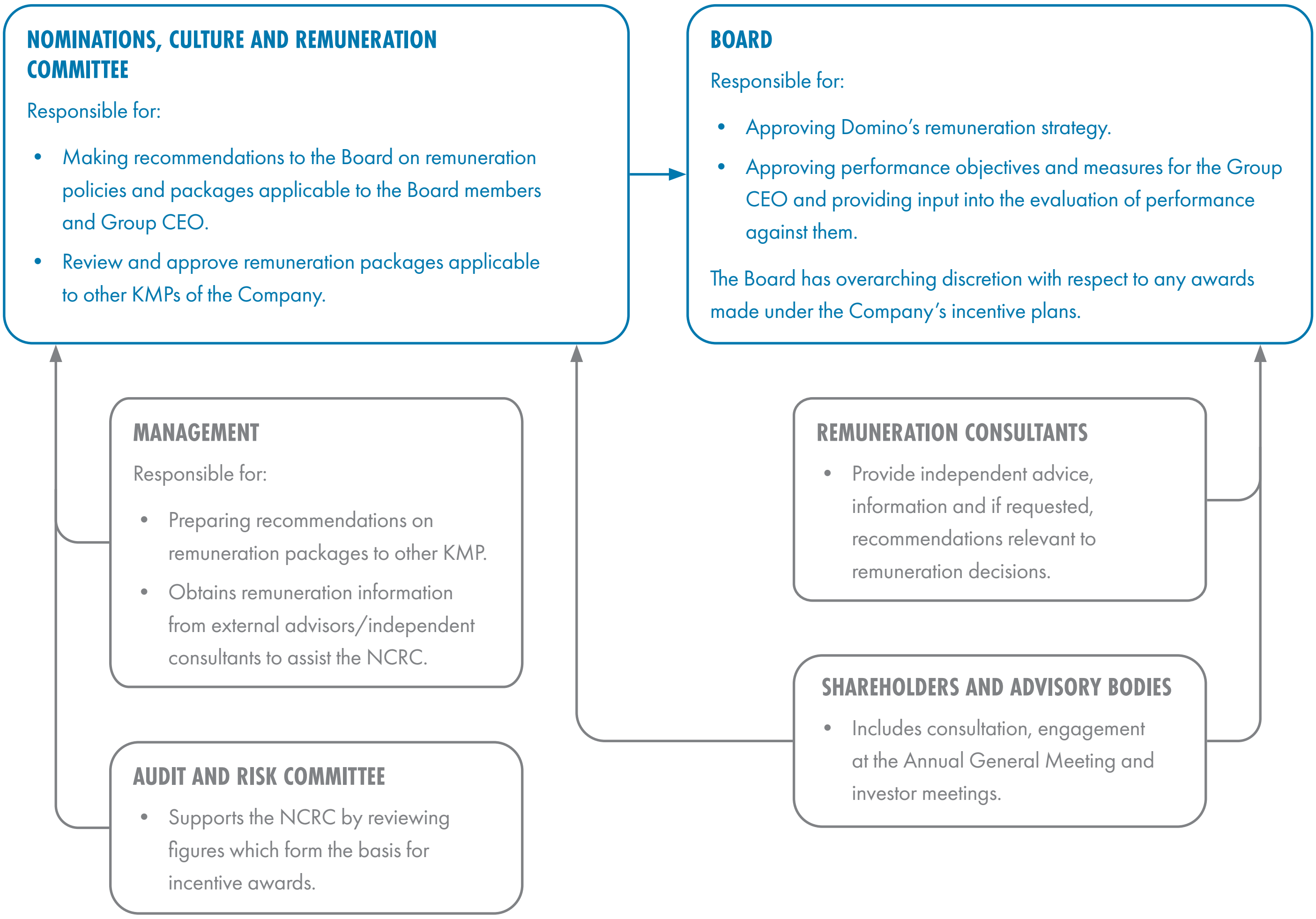
(iv) LTI vested is determined based on amount vested during the year, valued on the intrinsic value being the share price at the first exercise date less the exercise price, then multiplied by the number of options vested.

Remuneration report (continued)

7 REMUNERATION GOVERNANCE

ROLE OF THE NOMINATION, CULTURE AND REMUNERATION COMMITTEE

The following chart outlines the key stakeholders in the governance of remuneration at Domino's:



COMPONENT	APPROACH
BOARD DISCRETION	Our Board retains the discretion to alter the treatment of awards to ensure there is appropriate alignment between executive pay outcomes and Company performance.
MALUS AND CLAWBACK	Our Board has the ability to apply malus and/or clawback, lapse awards and forfeit shares subject to a trading restriction in certain circumstances, including fraud, gross misconduct and material reputational damage to the Company.
CHANGE OF CONTROL	Our Board retains the discretion to determine the treatment of awards in the event of a change of control. A change in control occurs when any shareholder (either alone or together with its associates) having a relevant interest in less than 50% of the issued shares in the Company acquires a relevant interest in 50% or more of the shares on issue at any time.
USE OF INDEPENDENT CONSULTANTS	During the year an independent remuneration consultant was engaged by the NCRC to provide advice and guidance in relation to market practice and Domino's remuneration matters. No remuneration recommendation was sought from or provided by the remuneration consultant.

Remuneration report (continued)

OUR EXECUTIVE SERVICE AGREEMENTS

The table below set out the main terms and conditions of the employment contracts of executive.

NAME	TERM OF CONTRACT	CONTRACT COMMENCEMENT	NOTICE TERMINATION – BY COMPANY	NOTICE TERMINATION – BY EXECUTIVE
Don Meij	Ongoing	02 November 2022	12 months	12 months
Richard Coney	Ongoing	16 May 2005	6 months	6 months
Josh Kilimnik	Ongoing	06 December 2021	6 months	6 months
Andre ten Wolde	Ongoing	27 June 2020	12 months	6 months
Michael Gillespie	Ongoing	15 September 2017	3 months	3 months

8 OUR NON-EXECUTIVE DIRECTOR FEES

Non-executive directors are remunerated by way of cash fees and superannuation. The level of directors' fees reflects their time commitment and responsibilities in accordance with market standards. Non-executive directors did not receive any performance-based remuneration or equity-based remuneration and are not entitled to any termination payments on ceasing to be a director.

The maximum aggregate non-executive directors' fee pool as approved by shareholders is $1,800,000 per annum.

Details of the fees associated for the non-executive director roles are set out in the following table and include superannuation.

BOARD AND COMMITTEE	CHAIR FEES	MEMBER FEES
Board	$313,947	$150,000
Audit and Risk Committee	$30,000	$15,000
Nomination, Culture and Remuneration Committee	$30,000	$15,000

Remuneration report (continued)

9 STATUTORY TABLES

The table below sets out the remuneration of Domino's executives and the amounts represent payments relating to the period individuals were KMP.

		SHORT-TERM BENEFITS			LONG-TERM BENEFITS	POST-EMPLOYMENT BENEFITS	SHARE BASED-PAYMENTS			
		BASE SALARY $	CASH INCENTIVE $	OTHER SHORT-TERM (i) $	LONG SERVICE LEAVE (ii) $	SUPER-ANNUATION $	DEFERRED STI COMPONENT $	OPTIONS (LTI) $	TOTAL $	PERFORMANCE RELATED %
EXECUTIVE DIRECTOR										
Don Meij	**2023**	**1,656,410**	**–**	**–**	**64,019**	**25,333**	**297,119**	**(966,112)**	**1,076,769**	**(62.1)%**
	2022	1,286,919	–	–	23,135	24,054	262,863	(33,458)	1,563,513	14.7%
EXECUTIVE OFFICERS										
Richard Coney	**2023**	**598,776**	**35,475**	**–**	**18,677**	**25,391**	**90,469**	**(130,224)**	**638,564**	**(0.7)%**
	2022	568,342	96,480	–	20,669	24,054	104,630	(153,515)	660,660	7.2%
Josh Kilimnik	**2023**	**702,779**	**115,500**	**102,102**	**–**	**25,333**	**97,009**	**(1,795)**	**1,040,928**	**20.2%**
	2022	672,605	137,440	164,395	–	52,429	118,410	115,304	1,260,583	29.4%
Andre ten Wolde	**2023**	**635,585**	**117,413**	**41,311**	**–**	**48,013**	**50,448**	**(93,522)**	**799,248**	**9.3%**
	2022	596,948	31,996	40,758	–	31,384	67,178	(105,968)	662,296	(1.0)%
Michael Gillespie	**2023**	**611,756**	**62,788**	**–**	**24,315**	**25,292**	**255,925**	**(136,842)**	**843,234**	**21.6%**
	2022	589,714	151,583	–	12,415	24,054	251,868	(96,369)	933,265	32.9%
FORMER EXECUTIVE OFFICERS										
Nick Knight	2022 (iii)	306,159	–	125,308	(156,686)	5,439	40,847	(152,031)	169,036	(65.8)%
Total	**2023**	**4,205,306**	**331,176**	**143,413**	**107,011**	**149,362**	**790,970**	**(1,328,495)**	**4,398,743**	**(4.7)%**
	2022	4,020,687	417,499	330,461	(100,467)	161,414	845,796	(426,037)	5,249,353	15.9%

(i) Amounts relate to expatriate allowances including but not limited to housing, schooling and healthcare.

(ii) Long service leave includes the movement in the leave balance during the year.

(iii) On 28 September 2021, Nick Knight retired as ANZ CEO and received termination benefits of $125,308.

Remuneration report (continued)

NON-EXECUTIVE DIRECTOR REMUNERATION FOR FY23

The table below sets out the remuneration of Domino's non-executive directors, amounts represent payments relating to the period individuals were KMP.

		SHORT-TERM BENEFITS – FEES $	POST-EMPLOYMENT BENEFITS – SUPERANNUATION $	TOTAL $
NON-EXECUTIVE DIRECTORS				
Jack Cowin	**2023**	**288,614**	**25,333**	**313,947**
	2022	287,824	24,054	311,878
Grant Bourke	**2023**	**165,322**	**17,260**	**182,582**
	2022	167,467	16,500	183,967
Lynda O'Grady	**2023**	**179,657**	**343**	**180,000**
	2022	162,579	7,258	169,837
Ursula Schreiber	**2023**	**176,456**	**18,545**	**195,001**
	2022	168,752	16,892	185,644
Doreen Huber	**2023**	**165,000**	**–**	**165,000**
	2022	159,519	–	159,519
Tony Peake	**2023**	**173,949**	**18,282**	**192,231**
	2022	154,181	15,434	169,615
FORMER NON-EXECUTIVE DIRECTORS				
Ross Adler	2022[i]	57,165	5,717	62,882
Total	**2023**	**1,148,998**	**79,763**	**1,228,761**
	2022	1,157,487	85,855	1,243,342

(i) On 03 November 2021, Ross Adler retired from Board.

Directors' Report
continued

Remuneration report (continued)

EXECUTIVE SHARE AND OPTION PLAN (ESOP) MOVEMENTS

Equity based remuneration on-foot during the financial year are outlined in the table below.

NAME	GRANT TYPE	GRANT DATE	BALANCE AT START OF YEAR (NO.)	GRANTED DURING THE YEAR (NUMBER)	FAIR VALUE AT GRANT ($)	FORFEITED (NO.)	VESTED (NO.)	EXERCISED (NO.)	BALANCE AT END OF THE YEAR (NO.)
Don Meij	Series 33	26/11/2019	297,000	–	11.79	(297,000)	–	–	–
	Series 38	4/11/2020	156,937	–	16.72	–	–	–	156,937
	Series 42	3/11/2021	95,975	–	32.30	–	–	–	95,975
	Series 43	1/10/2021	2,957	–	135.75	–	–	–	2,957
	Series 45	23/08/2022	–	6,186	67.51	–	–	–	6,186
	Series 47	20/12/2022	–	54,265	58.97	–	–	–	54,265
Richard Coney	Series 34	26/11/2019	39,804	–	9.84	(39,804)	–	–	–
	Series 36	20/08/2019	1,581	–	42.41	–	–	–	1,581
	Series 37	18/08/2020	312	–	81.37	–	–	–	312
	Series 39	25/11/2020	39,215	–	10.92	–	–	–	39,215
	Series 43	1/10/2021	953	–	135.75	–	–	–	953
	Series 44	19/05/2022	32,000	–	15.00	–	–	–	32,000
	Series 45	23/08/2022	–	703	67.51	–	–	–	703
	Series 48	20/12/2022	–	8,750	58.97	–	–	–	8,750
Josh Kilimnik	Series 32	25/05/2019	28,000	–	3.98	–	–	(28,000)	–
	Series 35	26/11/2019	31,421	–	11.79	(9,426)	21,995	–	21,995
	Series 39	25/11/2020	40,605	–	10.92	–	–	–	40,605
	Series 43	1/10/2021	1,011	–	135.75	–	–	–	1,011
	Series 44	19/05/2022	33,066	–	15.00	–	–	–	33,066
	Series 45	23/08/2022	–	1,049	67.51	–	–	–	1,049
	Series 48	20/12/2022	–	9,496	58.97	–	–	–	9,496
Andre ten Wolde	Series 35	26/11/2019	19,081	–	11.79	(19,081)	–	–	–
	Series 39	25/11/2020	40,249	–	10.92	–	–	–	40,249
	Series 43	1/10/2021	1,025	–	135.75	–	–	(1,025)	–
	Series 44	19/08/2022	30,811	–	15.00	–	–	–	30,811
	Series 45	23/08/2022	–	217	67.51	–	–	(217)	–
	Series 48	20/12/2022	–	9,120	58.97	–	–	–	9,120
Michael Gillespie	Series 34	26/11/2019	29,034	–	9.84	(29,034)	–	–	–
	Series 37	18/08/2020	508	–	81.37	–	–	–	508
	Series 39	25/11/2020	41,208	–	10.92	–	–	–	41,208
	Series 41	28/05/2021	2,966	–	84.28	–	–	–	2,966
	Series 43	1/10/2021	927	–	135.75	–	–	–	927
	Series 44	19/05/2022	30,750	–	15.00	–	–	–	30,750
	Series 45	23/08/2022	–	1,107	67.51	–	–	–	1,107
	Series 48	20/12/2022	–	9,178	58.97	–	–	–	9,178

Remuneration report (continued)

FULLY PAID ORDINARY SHARES OF DOMINO'S PIZZA ENTERPRISES LIMITED

The numbers of Company shares held by KMP during the financial year, including their personally related parties, are set out below.

	BALANCE AT BEGINNING OF FINANCIAL YEAR NO.	GRANTED AS COMPENSATION NO.	RECEIVED ON EXERCISE OF OPTIONS NO.	NET OTHER CHANGE NO.	BALANCE AT THE END OF THE FINANCIAL YEAR NO.
Jack Cowin	23,066,390				23,066,390
Grant Bourke	1,628,344				1,628,344
Lynda O'Grady	2,000			600	2,600
Ursula Schreiber	1,500			1,500	3,000
Doreen Huber	1,450				1,450
Tony Peake	1,400			2,600	4,000
Don Meij	1,800,001			(132,032)	1,667,969
Richard Coney	18,219				18,219
Josh Kilimnik	12,925		28,000	(28,000)	12,925
Andre ten Wole	–		1,242	(539)	703
Michael Gillespie	430				430

HISTORIC LONG-TERM INCENTIVE (EXECUTIVE SHARE AND OPTION PLAN)

The LTI for the Group CEO approved by shareholders at the 2017 and 2021 AGMs have resulted in the granting of options over three-year performance periods. The options were granted under the terms and conditions of the Company's Executive Share and Option Plan.

Options are subject to performance conditions, including continuous employment, which must be achieved, and have an exercise price set at grant. The value the Group CEO derives is subject to achievement of performance conditions, as well as share price following vesting.

The number of options granted and on-foot under each tranche, and the relevant exercise prices, are outlined in the table below. The first exercise date is shown, and the exercise period is one year from the first exercise date, after which any options not exercised will lapse.

SERIES	NUMBER GRANTED	EXERCISE PRICE	FAIR VALUE	GRANT DATE	FIRST EXERCISE DATE
Series 33	297,000	$50.25	$11.79	26 Nov 2019	1 Sep 2022
Series 38	156,937	$84.28	$16.72	4 Nov 2020	1 Sep 2023
Series 42	95,975	$127.09	$32.30	3 Nov 2021	1 Sep 2024
Series 47	54,265	Nil	$58.97	20 Dec 2022	30 Jun 2025

OTHER TRANSACTIONS WITH DIRECTORS OF THE GROUP

During the year the Group engaged the services of Mr Michael Cowin, a related party of Mr Jack Cowin, as a Board Member of DPE Japan Co. Ltd. Services rendered were based on market rates for such services and were due and payable under normal payment terms. A total of $55,255 was paid or payable to Mr Michael Cowin during the year ended 02 July 2023.

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL OF DOMINO'S PIZZA ENTERPRISES LIMITED

Comgroup Supplies Pty Ltd, Comgroup NZ Limited T/A Franklin Foods, Markwell Pacific Marketing Pty Ltd and Shore Mariner Ltd are entities associated with Mr Jack Cowin, which supply food products to the Group on commercial arm's length terms. The entities were selected as the preferred suppliers after competitive tender processes in which Mr Cowin had no involvement.

Directors' Report

continued

Remuneration report (continued)

During the year the Group made purchases and had outstanding balances as at 02 July 2023 as follows:

ENTITY	PURCHASES (EXCLUDING GST)	OUTSTANDING BALANCE
ComGroup Supplies Pty Ltd and ComGroup NZ Limited (T/A Franklin Foods)	$27,051,267	$7,320,806
Markwell Pacific Marketing Pty Ltd	$0	$0
Shore Mariner Ltd	$237,860	$55,034

In addition, the Group received a sponsorship contribution at the Company's annual franchising rally to the value of $50,000 from ComGroup Supplies Pty Ltd (excluding GST). The Group did not recognise any bad or doubtful debts associated with the above purchases and sponsorship contributions.

The Group and Competitive Foods Australia Pty Ltd (CFAL), an entity associated with Mr Jack Cowin, acquire television media services from unrelated third party service providers under a joint venture arrangement and receive volume pricing benefits. The Group does not receive or provide any other benefits to CFAL under the joint venture.

Signed in accordance with a resolution of the directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the directors

Jack Cowin
Non-Executive Chairman

23 August 2023

Don Meij
Managing Director/Group Chief Executive Officer

23 August 2023

Independent Auditor's Report

Deloitte Touche Tohmatsu
ABN 74 490 121 060
Level 23, Riverside Centre
123 Eagle Street
Brisbane, QLD, 4000
Australia

Phone: +61 7 3308 7000
www.deloitte.com.au

Independent Auditor's Report to the Members of Domino's Pizza Enterprises Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Domino's Pizza Enterprises Limited (the "Entity") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 02 July 2023, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Entity's and Group's financial position as at 02 July 2023 and of their financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Acquisition accounting for Domino's Malaysia, Singapore and Cambodia As disclosed in note 9, on 30 November 2022, the Group acquired 100% of the issued share capital of Dommal Food Services Sdn. Bhd ("Domino's Malaysia") and Domino's Pizza Singapore Pte. Ltd ("Domino's Singapore"). On 02 May 2023, the Group acquired 100% of the issued share capital of D. Pizza Co., Ltd ("Domino's Cambodia"). In undertaking the acquisition accounting and determining the fair value of the identifiable net assets, significant judgement is exercised in: • Estimating the contingent consideration which is based on future EBITDA and also the discount rate utilised. • Determining the fair value of the assets acquired and liabilities assumed.	In conjunction with our internal valuation specialists, our procedures included: • Assessing the competency, qualifications and objectivity of management's external valuation experts and performing a detailed review of their valuation report to understand the scope of their work and any limitations in the report. • Evaluating the purchase price consideration, including challenging management on the basis for the cash flows and discount rate used to determine the fair value of contingent consideration. • Challenging management as to whether information obtained during the measurement period reflected the facts and circumstances that existed at acquisition date. • Evaluating management's determination of the fair value of assets acquired and liabilities assumed, including: o Understanding and challenging the methodologies adopted o Reconciling the cashflows used to determine the value of the intangible master franchise network asset to management's acquisition bid model o Assessing the mathematical accuracy of significant calculations o Challenging key inputs such as discount rates and long-term growth rates. • Assessing the adequacy of the disclosures setting out the nature and basis of the business combination accounting and the assumptions applied by management in accounting for the acquisition in note 9.
Accounting for corporate store optimisation including impairment of assets and related provisions. On 13 June 2023, the Group announced its intention to reduce the size of its corporate store network, through store closures and sales and exit the Danish market. Following this announcement, management has impaired assets including, plant and equipment, goodwill, other intangible assets, right of use assets, and inventory totalling $60.6m. In addition, expenses totalling $9.2m relating to onerous contracts, make good obligations and termination costs, have	Our procedures included, but were not limited to: • Obtaining an understanding of management's process for identifying assets impacted by the announcement and determining associated store closure costs. • Evaluating the completeness of store closure costs identified by management including the assets identified for impairment. • Obtaining and evaluating evidence to support estimated store recoverable values, including term sheets, correspondence with franchisees and sales multiple calculations. • Recalculating the carrying value of store assets, including an allocation of goodwill attributable to the store.

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been recorded (see note 6). An impairment loss and associated closure costs of $24.1m in respect of Denmark have been included in discontinued operations (see note 10). Management is required to exercise judgement in determining the recoverable value of non-current assets that have not been sold at year end and the expected costs of store closures including restructuring and termination costs, make good costs and minimum lease terms.	• Assessing the reasonableness of make good provisions by reference to previous store closure costs. • Assessing the reasonableness of the remaining lease liabilities by comparing these to minimum lease payments outlined in lease agreements. • Assessing whether restructuring and termination costs were eligible for recognition in line with Australian Accounting Standards. Assessing the adequacy of management's related disclosures in notes 6 and 10.
Carrying Value of Goodwill and other Intangible Assets in the German and France/Belgium Cash Generating Units (CGUs). As discussed in note 13, as of 02 July 2023, the carrying value of the of the German CGU included goodwill of $88.0 million and indefinite life intangible assets of $190.2 million. The carrying value of the France/Belgium CGU included goodwill of $37.1 million and indefinite life intangible assets of $50.0 million. Management is required to exercise significant judgement in estimating future cash flows, forecast growth rates and discount rates, which are used to determine the recoverable amount of the CGUs.	In conjunction with our internal valuation specialists, our procedures included, but were not limited to: • Understanding management's process for determining the recoverable value of the CGUs. • Evaluating the appropriateness of the methodology applied by management in calculating the recoverable amounts of the CGUs. • Challenging the assumptions used to calculate the discount rates and recalculating these rates. • Agreeing the projected cash flows to Board approved budgets and challenging the growth rates by comparing them to historical performance and publicly available information with respect to the countries of operation. • Testing the mathematical accuracy of the impairment models used to calculate recoverable amount. • Performing sensitivity analysis on the recoverable amount of the CGUs in relation to the assumed growth rates during the forecast period, terminal growth rates and discount rates. • We assessed the adequacy of the disclosures included in Note 13 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 02 July 2023 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 156 to 172 of the Directors' Report for the year ended 02 July 2023.

In our opinion, the Remuneration Report of Domino's Pizza Enterprises Limited, for the year ended 02 July 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Matthew Donaldson
Partner
Chartered Accountants

Brisbane, 23 August 2023

Auditor's Independence Declaration

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060
Level 23, Riverside Centre
123 Eagle Street
Brisbane, QLD, 4000
Australia

Phone: +61 7 3308 7000
www.deloitte.com.au

23 August 2023

The Directors
Domino's Pizza Enterprises Limited
Level 1, KSD1
485 Kingsford Smith Drive
HAMILTON QLD 4007

Dear Directors

Auditor's Independence Declaration to Domino's Pizza Enterprises Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of Domino's Pizza Enterprises Limited.

As lead audit partner for the audit of the financial report of Domino's Pizza Enterprises Limited for the year ended 02 July 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

Matthew Donaldson
Partner
Chartered Accountants

Directors’ Declaration

The directors declare that:

(a) in the directors’ opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(b) in the directors’ opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in the basis of preparation note to the financial statements;

(c) in the directors’ opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group; and

(d) the directors have been given the declarations required by s.295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the directors

Jack Cowin
Non-Executive Chairman

23 August 2023

Don Meij
Managing Director/Group Chief Executive Officer

23 August 2023

FINANCIAL REPORT

2023

Financial Report

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Consolidated Statement of Profit or Loss

For the year ended 02 July 2023

	NOTE	2023 $'000	2022 [(i)] $'000
Continuing operations			
Revenue	2	**2,351,486**	2,271,262
Other gains and losses	3	**17,875**	32,149
Finance income	4	**5,840**	5,420
Food, equipment and packaging expenses		**(1,044,608)**	(987,730)
Employee benefits expense	5	**(415,297)**	(382,098)
Plant and equipment costs	5	**(31,569)**	(33,965)
Depreciation and amortisation expense	5	**(150,923)**	(130,430)
Occupancy expenses	5	**(7,817)**	(5,551)
Finance costs	5	**(28,210)**	(18,797)
Marketing expenses		**(222,193)**	(222,570)
Royalties expense		**(107,289)**	(101,785)
Store related expenses		**(39,741)**	(30,019)
Communication expenses		**(39,421)**	(34,329)
Closure costs associated with corporate stores and operations	6	**(69,759)**	–
Acquisition, integration and legal settlement costs		**(11,475)**	(8,803)
Other expenses		**(106,261)**	(100,155)
Profit before tax		**100,638**	252,599
Income tax expense	8	**(31,603)**	(77,587)
Profit from continuing operations		**69,035**	175,012
Discontinued operations			
Loss from discontinued operations after tax	10	**(26,439)**	(8,280)
Profit for the period from operations		**42,596**	166,732
Profit is attributable to:			
Owners of the parent		**40,570**	158,716
Non-controlling interests		**2,026**	8,016
Total profit for the period		**42,596**	166,732

		CENTS	CENTS
Earnings per share from continuing operations			
Basic (cents per share)	21	**76.1**	193.0
Diluted (cents per share)	21	**76.1**	192.6
Earnings per share			
Basic (cents per share)	21	**46.1**	183.4
Diluted (cents per share)	21	**46.0**	183.0

(i) The comparative has been restated to reflect the classification of the operations of the Denmark Market as a discontinued operation. Refer to note 10 for details.

The above Statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Other Comprehensive Income

For the year ended 02 July 2023

	2023 $'000	2022 $'000
Profit for the period	**42,596**	166,732
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Gain/(loss) on net investment hedge taken to equity	**(11,221)**	4,258
Exchange differences arising on translation of foreign operations	**18,361**	(28,725)
Gain/(loss) on cash flow hedges taken to equity	**(5,702)**	10,376
Income tax relating to components of other comprehensive income	**5,184**	(4,844)
Other comprehensive gain/(loss) for the period, net of tax	**6,622**	(18,935)
Total comprehensive income for the period	**49,218**	147,797
Items not to be reclassified to profit or loss		
Remeasurement of defined benefit obligation	**(364)**	532
Income tax relating to components of other comprehensive income	**134**	(185)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods for the period	**(230)**	347
Other comprehensive income/(loss) for the year, net of tax	**6,392**	(18,588)
Total comprehensive income for the year	**48,988**	148,144
Total comprehensive income for the period is attributable to:		
Owners of the parent	**45,451**	144,807
Non-controlling interests	**3,537**	3,337
Total comprehensive income for the year	**48,988**	148,144

Consolidated Statement of Financial Position

As at 02 July 2023

	NOTE	2023 $'000	2022 $'000
Assets			
Current assets			
Cash and cash equivalents	7	**159,891**	76,877
Trade and other receivables	14	**176,208**	163,591
Other financial assets	24	**36,642**	20,892
Inventories	17	**43,120**	30,861
Current tax assets	8	**43,370**	1,234
Other assets	14	**52,640**	45,760
Investment in lease assets	12	**78,179**	72,063
Total current assets		**590,050**	411,278
Non-current assets			
Other financial assets	24	**108,934**	119,869
Investment in joint venture	29	**1,742**	1,709
Property, plant and equipment	11	**324,658**	273,471
Deferred tax assets	8	**498**	–
Goodwill	13	**551,644**	485,707
Intangible assets	13	**638,911**	450,352
Right-of-use assets	12	**297,077**	306,845
Investment in lease assets	12	**365,934**	382,493
Total non-current assets		**2,289,398**	2,020,446
Total assets		**2,879,448**	2,431,724
Liabilities			
Current liabilities			
Trade and other payables	15	**378,992**	303,976
Contract liabilities	2	**3,518**	3,134
Lease liabilities	12	**141,408**	122,304
Borrowings	23	**–**	32,035
Other financial liabilities	25	**14,503**	140,003
Provisions	16	**31,444**	21,559
Current tax liabilities	8	**24,241**	17,571
Total current liabilities		**594,106**	640,582
Non-current liabilities			
Borrowings	23	**978,591**	612,066
Contract liabilities	2	**12,416**	15,775
Lease liabilities	12	**619,937**	646,714
Other financial liabilities	25	**18,327**	511
Provisions	16	**16,759**	8,870
Deferred tax liabilities	8	**118,795**	85,249
Total non-current liabilities		**1,764,825**	1,369,185
Total liabilities		**2,358,931**	2,009,767
Net assets		**520,517**	421,957
Equity			
Issued capital	18	**430,476**	264,212
Reserves	18	**(126,109)**	(136,848)
Retained earnings	18	**216,150**	294,593
Total equity		**520,517**	421,957

Consolidated Statement of Changes in Equity

For the year ended 02 July 2023

	ISSUED CAPITAL $'000	HEDGING RESERVE $'000	FOREIGN CURRENCY TRANSLATION RESERVE $'000	OTHER RESERVE $'000	RETAINED EARNINGS $'000	NON-CONTROLLING INTERESTS $'000	TOTAL $'000
Balance at 28 June 2021	259,500	(1,364)	7,754	(156,777)	286,024	–	395,137
Profit for the period	–	–	–	–	158,716	8,016	166,732
Other comprehensive income	–	9,790	(26,386)	347	–	(2,339)	(18,588)
Total comprehensive income for the period	–	9,790	(26,386)	347	158,716	5,677	148,144
Share options trust	–	–	–	(4,515)	–	–	(4,515)
Transactions with non-controlling interest	–	–	–	–	–	(699)	(699)
Dividends provided for or paid	–	–	–	–	(150,147)	–	(150,147)
Employee share scheme	4,712	–	–	–	–	–	4,712
Non-controlling interest put option	–	–	–	38,080	–	(4,978)	33,102
Recognition of share-based payments	–	–	–	(3,777)	–	–	(3,777)
Balance at 03 July 2022	264,212	8,426	(18,632)	(126,642)	294,593	–	421,957

	ISSUED CAPITAL $'000	**HEDGING RESERVE $'000**	**FOREIGN CURRENCY TRANSLATION RESERVE $'000**	**OTHER RESERVE $'000**	**RETAINED EARNINGS $'000**	**NON-CONTROLLING INTEREST $'000**	**TOTAL $'000**
Balance at 03 July 2022	**264,212**	**8,426**	**(18,632)**	**(126,642)**	**294,593**	**–**	**421,957**
Profit for the period	–	–	–	–	40,570	2,026	42,596
Other comprehensive income	–	(11,739)	16,850	(230)	–	1,511	6,392
Total comprehensive income for the period	–	(11,739)	16,850	(230)	40,570	3,537	48,988
Share options trust	–	–	–	293	–	–	293
Dividends provided for or paid	–	–	–	–	(119,013)	–	(119,013)
Contributions of equity, net of transaction costs and tax	164,999	–	–	–	–	–	164,999
Share issue costs	(1,821)	–	–	–	–	–	(1,821)
Employee share scheme	3,086	–	–	–	–	–	3,086
Non-controlling interest put option	–	–	–	6,593	–	(3,537)	3,056
Recognition of share-based payments	–	–	–	(1,028)	–	–	(1,028)
Balance at 02 July 2023	**430,476**	**(3,313)**	**(1,782)**	**(121,014)**	**216,150**	**–**	**520,517**

Consolidated Statement of Cash Flows

For the year ended 02 July 2023

	NOTE	2023 $'000	2022 $'000
Cash flows from operating activities			
Receipts from customers		**2,569,180**	2,509,130
Payments to suppliers and employees		**(2,238,103)**	(2,238,924)
Interest received		**12,624**	10,152
Interest and other finance costs		**(26,780)**	(17,026)
Income taxes paid		**(56,128)**	(73,213)
Net cash generated from operating activities	7	**260,793**	190,119
Cash flows from investing activities			
Proceeds from franchisee loans		**25,574**	37,487
Payments for intangible assets		**(49,469)**	(71,355)
Payments for property, plant and equipment		**(108,195)**	(120,713)
Proceeds from sale of non-current assets		**21,207**	35,541
Acquisition of stores net of cash		**(48,143)**	(35,105)
Acquisition of subsidiaries		**(205,768)**	(79,736)
Acquisition of non-controlling interest		**(123,116)**	–
Net cash inflow/(outflow) on investment in joint ventures		**(27)**	601
Net cash used in investing activities		**(487,937)**	(233,280)
Cash flows from financing activities			
Proceeds from issues of equity securities		**167,105**	1,286
Proceeds from borrowings		**768,172**	875,307
Repayment of borrowings		**(434,958)**	(712,215)
Payments for establishment of borrowings		**(2,245)**	(4,165)
Share issue costs		**(1,821)**	–
Receipts from subleases		**74,944**	63,317
Lease principal payments		**(138,064)**	(123,331)
Dividends paid		**(119,013)**	(150,147)
Net cash generated from (used in) financing activities		**314,120**	(49,948)
Net increase/(decrease) in cash and cash equivalents held		**86,976**	(93,109)
Cash and cash equivalents at the beginning of the period		**76,877**	174,689
Effects of exchange rate changes on the balance of cash held in foreign currencies		**(3,962)**	(4,703)
Cash and cash equivalents at the end of the period	7	**159,891**	76,877

The above Statement should be read in conjunction with the accompany notes.

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Notes to the Financial Statements

BASIS OF PREPARATION

Domino's Pizza Enterprises Limited (Domino's) is a for-profit public company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange and trading under the symbol 'DMP'. The nature of the operations and principal activities of Domino's and its subsidiaries (the Group) are described in the segment information.

The consolidated general purpose financial report of the Group for the period ended 02 July 2023 comprised a 52-week period, where as the comparative year ended 03 July 2022 comprised a 53-week period. The financial report was authorised for issue in accordance with a resolution of the directors on 23 August 2023. The directors have the power to amend and reissue the financial report.

The financial report is a general purpose financial report which:

- has been prepared on a going concern basis in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);
- has been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value (refer to note 26) and equity-settled share-based payments (refer to note 22). The carrying values of recognised assets and liabilities that are the hedged items in fair value hedge relationships, which are otherwise carried at amortised costs, are adjusted to record changes in the fair values attributable to the risks that are being hedged;
- is presented in Australian dollars with all values rounded to the nearest thousand dollars ($'000) unless otherwise stated which is in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191;
- presents reclassified comparative information where required for consistency with the current year's presentation;
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the Group and effective for reporting periods beginning on or before 03 July 2022 as listed in note 37; and
- does not early adopt Accounting Standards and Interpretations that have been issued or amended but are not yet effective.

GOING CONCERN

The financial statements have been prepared on the basis that the Group will continue as a going concern. The Group has a net current liability position of $4.1 million at 02 July 2023 (03 July 2022: net current liability position $229.3 million).

As at 02 July 2023, the Group had unrestricted cash and cash equivalents of $159.9 million. The Group's capital structure is sustainable with sufficient liquidity, including undrawn committed facilities of $257.3 million. The Directors have concluded that there are reasonable grounds to believe that the going concern basis is appropriate, and that assets are likely to be realised, and liabilities are likely to be discharged, at the amounts recognised in the financial statements in the ordinary course of business.

BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group. A list of controlled entities (subsidiaries) at year-end is contained in note 27.

Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group using the acquisition method of accounting described in note 9. They are deconsolidated from the date that control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

In preparing the consolidated financial statements all inter-company balances and transactions, income and expenses and profits and losses resulting from intra-Group transactions have been eliminated.

FOREIGN CURRENCY

The functional currency of Domino's Pizza Enterprises Limited is Australian Dollar ('$'), the functional currencies of overseas subsidiaries are listed in note 27. As at the reporting date, the assets and liabilities of overseas subsidiaries are translated into Australian Dollar at the rate of exchange ruling at the balance sheet date and the income statements are translated at the average exchange rates for the year. The exchange differences arising on the retranslation of overseas subsidiaries are taken directly to a separate component of equity.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising from the application of these procedures are taken to the income statement, with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity, which are taken directly to equity until the disposal of the net investment and are then recognised in the income statement. Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except:

(i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

(ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

COMPARATIVE INFORMATION

Comparative amounts have, where necessary and immaterial, been reclassified or adjusted so as to be consistent with current year disclosures.

OTHER ACCOUNTING POLICIES

Significant and other accounting policies that summarise the measurement basis used and are relevant to the understanding of the financial statements are provided throughout the notes to the financial statements.

KEY JUDGEMENTS AND ESTIMATES

In applying the Group's accounting policies, the directors are required to make estimates, judgements and assumptions that affect amounts reported in this Financial Report. The estimates, judgements and assumptions are based on historical experience, adjusted for current market conditions and other factors that are believed to be reasonable under the circumstances and are reviewed on a regular basis. Actual results may differ from these estimates.

The estimates and judgements which involve a higher degree of complexity or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next period are included in the following notes:

NOTE	KEY JUDGEMENTS AND ESTIMATES
Note 13	Master Franchise Rights & Franchise Network Assets
Note 13	Useful Lives of Other Intangible Assets
Note 13	Recoverable Amount of Cash Generating Units
Note 31	Legal and Regulatory Matters

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; or in the period and future periods if the revision affects both current and future periods.

KEY NUMBERS

Key numbers provides a breakdown of individual line items in the financial statements that the directors consider most relevant and summarises the accounting policies, judgements and estimates relevant to understanding these items.

1 SEGMENT INFORMATION

RECOGNITION AND MEASUREMENT

The consolidated entity has identified its operating segments on the basis of internal reports about components of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Information reported to the consolidated entity's Chief Executive Officer for the purpose of resource allocation and assessment of performance is specifically focused on the geographical location the consolidated entity operates in. The consolidated entity's reportable segments under AASB 8 are therefore as follows:

- Australia/New Zealand ("ANZ")
- Europe
- Asia

The Unallocated segment represents corporate costs associated with the management and oversight of global functions which are shared by all jurisdictions in which the Group operates.

Changes to the Group's operating segments during the year, are as follows:

1. On 13 June 2023, the Group publicly announced the decision of its Board of Directors to exit the Danish market, by ceasing operations and closing all stores. All stores in Denmark, were closed by 02 July 2023. At 02 July 2023, the operations of the Danish Market was classified as a discontinued operation. The Danish Market was previously represented in the Europe operating segment. With the Danish operations being classified as a discontinued operation, its results were no longer presented in the segment. Refer to note 10 for the financial performance and cashflows of the discontinued operation.
2. On 30 November 2022, the Group completed the acquisitions of Dommal Foods Services Sdn. Bhd (Domino's Malaysia) and Domino's Pizza Singapore Pte. Ltd (Domino's Singapore) and on 02 May 2023, the Group completed the acquisition of D. Pizza Co., Ltd (Domino's Cambodia). The aggregate financial results of Domino's Malaysia, Domino's Singapore and Domino's Cambodia, have been reported in the "Asia" segment.

The Group provides services to and derives revenue from a number of customers. The Group does not derive more than 10% of the total consolidated revenue from any one customer.

Notes to the Financial Statements

continued

1 SEGMENT INFORMATION (continued)

UNDERSTANDING THE SEGMENT RESULT

SEGMENT REVENUES AND RESULTS

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

	YEAR ENDED 02 JULY 2023				
	ANZ $'000	**EUROPE $'000**	**ASIA $'000**	**UNALLOCATED $'000**	**TOTAL $'000**
Continuing operations					
Revenue	**800,654**	**735,709**	**815,123**	**–**	**2,351,486**
EBITDA	**115,018**	**68,050**	**111,433**	**(20,570)**	**273,931**
Depreciation & amortisation	**(42,505)**	**(40,567)**	**(64,650)**	**(3,201)**	**(150,923)**
EBIT	**72,513**	**27,483**	**46,783**	**(23,771)**	**123,008**
Net finance costs					**(22,370)**
Net profit before tax					**100,638**

	YEAR ENDED 03 JULY 2022				
	ANZ $'000	EUROPE[i] $'000	ASIA $'000	UNALLOCATED $'000	TOTAL $'000
Continuing operations					
Revenue	782,469	686,157	802,636	–	2,271,262
EBITDA	149,950	126,811	140,395	(20,750)	396,406
Depreciation & amortisation	(35,403)	(38,154)	(55,507)	(1,366)	(130,430)
EBIT	114,547	88,657	84,888	(22,116)	265,976
Net finance costs					(13,377)
Net profit before tax					252,599

(i) Excludes the operating results of the Danish market.

Revenue reported above represents revenue generated from external customers and franchisees. There were no inter-segment sales during the period (2022: Nil).

The accounting policies of the reportable segments are the same as the Group's policies described throughout the financial report. Segment net profit before tax represents the profit earned by each segment using the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Notes to the Financial Statements
continued

1 SEGMENT INFORMATION (continued)

SEGMENT ASSETS AND LIABILITIES FROM CONTINUING OPERATIONS

The amounts provided to the chief operating decision-makers in respect of total assets and liabilities are measured in a manner consistent with that of the financial statements.

2023	ASSETS $'000	LIABILITIES $'000
Continuing operations		
Australia/New Zealand	**645,584**	**(1,006,352)**
Europe	**893,157**	**(377,786)**
Asia	**1,320,775**	**(971,491)**
Total segment assets/(liabilities)	**2,859,516**	**(2,355,629)**
Unallocated	**19,932**	**(3,302)**
Consolidated assets/(liabilities)	**2,879,448**	**(2,358,931)**

2022	ASSETS $'000	LIABILITIES $'000
Continuing operations		
Australia/New Zealand	592,959	(848,620)
Europe	849,978	(531,582)
Asia	976,759	(626,562)
Total segment assets/(liabilities)	2,419,696	(2,006,764)
Unallocated	12,028	(3,003)
Consolidated assets/(liabilities)	2,431,724	(2,009,767)

OTHER SEGMENT INFORMATION

The non-current assets by geographical location are detailed below.

	DEPRECIATION AND AMORTISATION		ADDITIONS TO NON-CURRENT ASSETS		NON-CURRENT ASSETS	
	2023 $'000	2022[(i)] $'000	**2023 $'000**	2022 $'000	**2023 $'000**	2022 $'000
Australia/New Zealand	**42,505**	35,403	**87,626**	58,441	**1,052,873**	898,413
Europe	**40,567**	38,154	**70,420**	76,594	**306,759**	453,664
Asia	**64,650**	55,507	**386,264**	196,443	**909,834**	656,341
Unallocated	**3,201**	1,366	**11,105**	12,658	**19,932**	12,028
	150,923	130,430	**555,415**	344,136	**2,289,398**	2,020,446

(i) Excludes the operating results of the Danish market.

2 REVENUE

RECOGNITION AND MEASUREMENT

Revenue is recognised when or as the performance obligation under the relevant customer contract is completed. Performance obligations may be completed at a point in time or over time.

SALE OF GOODS

The revenue from the sale of food and beverages is recognised when the performance obligation has been satisfied. The performance obligation is assessed to be satisfied when control of the goods is passed to the customer (at a point in time).

FRANCHISE REVENUE

Initial fees are recognised as revenue on a straight-line basis over the term of the respective franchise agreement. This is on the basis that the Group has determined that the services provided in exchange for the initial fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services provided to the franchisees.

Revenue associated with continuing sales-based royalties and marketing fund royalties is recognised when the related franchisee sale occurs. The Group considers there to be one performance obligation, being the franchise right.

Notes to the Financial Statements

continued

2 REVENUE (continued)

SERVICE REVENUE

The Group provides services to franchisees and other third parties which are carried out in accordance with the contract. Service revenue is recognised on satisfaction of the performance obligation which is when the services are rendered.

INTEREST INCOME ON FRANCHISEE LOANS AND CASH AND CASH EQUIVALENTS

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest is determined using the effective interest rate method, which accrues interest on a time basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

	YEAR ENDED 02 JULY 2023			
	ANZ $'000	**EUROPE $'000**	**ASIA $'000**	**TOTAL $'000**
Revenue type				
Revenue from sale of goods	**569,715**	**535,771**	**699,653**	**1,805,139**
Revenue from franchise and rendering of services	**227,991**	**199,733**	**111,839**	**539,563**
Interest income	**2,948**	**205**	**3,631**	**6,784**
Total	**800,654**	**735,709**	**815,123**	**2,351,486**
Timing of revenue recognition				
At a point in time	**590,006**	**554,426**	**709,423**	**1,853,855**
Over time	**210,648**	**181,283**	**105,700**	**497,631**
Total	**800,654**	**735,709**	**815,123**	**2,351,486**

	YEAR ENDED 03 JULY 2022			
	ANZ $'000	EUROPE(i) $'000	ASIA $'000	TOTAL $'000
Revenue type				
Revenue from sale of goods	558,409	490,878	690,498	1,739,785
Revenue from franchise and rendering of services	221,621	195,013	110,111	526,745
Interest income	2,439	266	2,027	4,732
Total	782,469	686,157	802,636	2,271,262
Timing of revenue recognition				
At a point in time	579,246	506,947	700,126	1,786,319
Over time	203,223	179,210	102,510	484,943
Total	782,469	686,157	802,636	2,271,262

(i) Excludes the operating results of the Danish market.

CONTRACT LIABILITIES

Contract liabilities consist of deferred franchise fees. The Group's franchise agreements typically require certain one-off fees. These fees include initial fees paid upon executing a franchise agreement, renewal of the franchise right and fees paid in the event the franchise agreement is transferred to another franchisee (collectively termed initial fees). The Group has determined that the initial fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services provided to the franchisees. As a result, initial fees are recognised as revenue over the term of each respective franchise agreement; which generally ranges from a 5 to 10 year period. Revenue from these initial franchise fees are recognised over time on a straight-line basis which is determined with reference to the franchisee's right to use and access and benefit from the intellectual property.

2 REVENUE (continued)

The Group has recognised the following deferred franchise fees:

	2023 $'000	2022 $'000
Contract liabilities		
Within one year	**3,518**	3,134
More than one year	**12,416**	15,775
Total	**15,934**	18,909

Contract liabilities at the beginning of the period was $18.9 million (2022: $19.2 million). The Group recognised $6.0 million (2022: $4.3 million) of revenue related to contract liabilities. Management expects to recognise $3.5 million (2022: $3.1 million) related to deferred franchise fees during the next financial year.

The Group has applied the sales-based royalty exemption which permits exclusion of variable consideration in the form of sales-based royalties from the disclosure of remaining performance obligations.

3 OTHER GAINS AND LOSSES

	2023 $'000	2022 $'000
Net gain on disposal of property, plant & equipment, goodwill and other non-current assets	**17,464**	28,142
Net gain on disposal of leases	**159**	3,506
Other	**252**	501
Total other gains and losses	**17,875**	32,149

No other gains or losses have been recognised in respect of loans and receivables other than as disclosed in note 2, impairment losses recognised/reversed in respect of trade and other receivables (see note 14) and accelerating the refranchising of corporate stores (see note 6).

4 FINANCE INCOME

	2023 $'000	2022 $'000
Finance income	**5,840**	5,420
Total finance income	**5,840**	5,420

Finance income relates to interest income on investment in lease assets. Refer to note 12.

5 EXPENSES

RECOGNITION AND MEASUREMENT

EMPLOYEE BENEFITS

The Group's accounting policy for liabilities associated with employee benefits is set out in note 16. The policy relating to share-based payments is set out in note 22.

The majority of employees are party to defined contribution schemes and fixed contributions from Group companies and the Group's legal or constructive obligation is limited to these contributions. Contributions to defined contribution funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

OCCUPANCY EXPENSES

Occupancy expenses relate to non-lease components of lease contracts and are recognised as an expense when they are incurred.

Notes to the Financial Statements

continued

5 EXPENSES (continued)

DEPRECIATION AND AMORTISATION

Refer to notes 11, 12 and 13 for details on depreciation and amortisation.

FINANCE COSTS

Finance costs are recognised as an expense when they are incurred, except for interest charges attributable to major projects with substantial development and construction phases that are capitalised.

Provisions and other payables are discounted to their present value when the effect of the time value of money is significant. The impact of the unwinding of these discounts and any changes to the discounting is shown as a discount rate adjustment in finance costs.

PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS

Profit for the year from continuing operations was arrived at after charging (crediting):

	NOTE	2023 $'000	2022 $'000
Remuneration, bonuses and on-costs		**397,053**	369,327
Defined contribution plans		**17,138**	12,051
Defined benefit plans	33	**1,176**	1,071
Share-based payments expense		**(70)**	(351)
Employee benefits expenses		**415,297**	382,098
Equipment operating costs		**27,711**	29,295
Expenses relating to leases of low value assets		**3,858**	4,670
Plant and equipment costs		**31,569**	33,965
Depreciation of property, plant and equipment		**50,207**	48,428
Depreciation of right-of-use assets		**61,037**	57,747
Amortisation of intangible assets		**30,113**	23,894
Accelerated amortisation[(i)]		**9,176**	–
Amortisation of other assets		**390**	361
Depreciation and amortisation expense		**150,923**	130,430
Non-lease component occupancy expenses		**7,817**	5,551
Occupancy expenses		**7,817**	5,551
Interest on commercial bills and loans		**16,672**	8,332
Amortisation of borrowing costs		**1,463**	1,505
Interest expense on lease liabilities		**10,075**	8,960
Finance costs		**28,210**	18,797

(i) An assessment of the useful lives of intangible assets was undertaken. This resulted in the reduction of the estimated useful lives of a number of intangible assets and additional amortisation costs being recognised during the year.

6 CLOSURE COSTS ASSOCIATED WITH CORPORATE STORES AND OPERATIONS

On 13 June 2023, the Group announced initiatives to deliver material, near term, cost savings, improving efficiency and building a stronger foundation for future growth.

The Group reduced the size of its corporate store network, closing underperforming stores, accelerating the refranchising of a number of corporate stores and the closure of some operations. As a result, underperforming stores open for some time but not expected to reach sustainable levels of sales or profitability, in the near term, were identified to be closed. Furthermore the Group will partner with experienced franchisees to franchise corporate stores. The costs recognised in this initiative include the write down in the value of corporate property, plant and equipment, the write down of goodwill allocated to the corporate stores, the impairment of right of use assets associated with the lease of the location of the store or operation, onerous contract obligations and employee terminations.

	2023 $'000	2022 $'000
Write down of corporate stores property plant and equipment	**23,160**	–
Write down of goodwill associated with corporate stores	**28,001**	–
Write down of other intangible assets associated with corporate stores	**1,129**	–
Impairment of right of use assets associated with corporate stores	**8,268**	–
Onerous contract provisions and make good provisions	**7,728**	–
Employee termination costs	**437**	–
Inventory write downs	**1,036**	–
Corporate store closure costs	**69,759**	–

The write downs and associated closure costs associated with the closure of the Danish Market are recognised in discontinued operations as disclosed in note 10.

7 CASH AND CASH EQUIVALENTS

RECOGNITION AND MEASUREMENT

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less from date of inception. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2023 $'000	2022 $'000
Cash and cash equivalents	**159,891**	76,877
	159,891	76,877

7 CASH AND CASH EQUIVALENTS (continued)

RECONCILIATION OF PROFIT FOR THE PERIOD TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2023 $'000	2022 $'000
Profit/(loss) for the period from continuing operations	**69,035**	175,012
Profit/(loss) from discontinued operations	**(26,439)**	(8,280)
Profit on sale of non-current assets	**(19,000)**	(32,408)
Equity settled share-based payments	**(70)**	(351)
Depreciation and amortisation	**154,641**	133,632
Asset impairments, write downs and fair value adjustments	**68,464**	–
Share of joint venture entities net (profit)/loss	**593**	86
Amortisation of loan establishment costs	**1,463**	1,505
Other	**5,403**	(8,011)
	254,090	261,185
Movement in working capital		
(Increase)/decrease in assets:		
Trade and other receivables	**(7,288)**	(15,990)
Inventory	**(4,655)**	(3,708)
Other current assets	**(2,660)**	(13,793)
Increase/(decrease) in liabilities:		
Trade and other payables	**51,089**	(44,004)
Provisions	**14,854**	1,128
Current tax assets and liabilities	**(34,220)**	(11,710)
Deferred tax balances	**(10,417)**	17,011
Net cash generated from operating activities	**260,793**	190,119

NET DEBT RECONCILIATION

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	2023 $'000	2022 $'000
Cash and cash equivalents	**159,891**	76,877
Borrowings – repayable within one year	**–**	(32,035)
Borrowings – repayable after one year	**(983,090)**	(615,823)
Net debt	**(823,199)**	(570,981)
Cash and cash equivalents	**159,891**	76,877
Gross debt – fixed interest rates	**(328,004)**	(236,239)
Gross debt – variable interest rates	**(655,086)**	(411,619)
Net debt	**(823,199)**	(570,981)

Notes to the Financial Statements

continued

7 CASH AND CASH EQUIVALENTS (continued)

	CASH $'000	LEASE LIABILITIES DUE WITHIN 1 YEAR $'000	LEASE LIABILITIES DUE AFTER 1 YEAR $'000	BORROWINGS DUE WITHIN YEAR 1 $'000	BORROWINGS DUE AFTER 1 YEAR $'000	TOTAL $'000
Balances as at 28 June 2021	174,689	(109,433)	(651,492)	–	(508,485)	(1,094,721)
Cash flows	(93,109)	–	123,331	(32,035)	(131,057)	(132,870)
Finance lease additions	–	(17,945)	(148,757)	–	–	(166,702)
Foreign exchange adjustments	(4,703)	5,074	30,204	–	23,718	54,293
Balances as at 03 July 2022	76,877	(122,304)	(646,714)	(32,035)	(615,824)	(1,340,000)

	CASH $'000	**LEASE LIABILITIES DUE WITHIN 1 YEAR $'000**	**LEASES LIABILITIES DUE AFTER 1 YEAR $'000**	**BORROWINGS DUE WITHIN 1 YEAR $'000**	**BORROWINGS DUE AFTER 1 YEAR $'000**	**TOTAL $'000**
Balances as at 03 July 2022	**76,877**	**(122,304)**	**(646,714)**	**(32,035)**	**(615,824)**	**(1,340,000)**
Cash flows	**86,976**	**–**	**136,717**	**32,035**	**(365,249)**	**(109,521)**
Lease liabilities additions	**–**	**(18,619)**	**(107,373)**	**–**	**–**	**(125,992)**
Foreign exchange adjustments	**(3,962)**	**(485)**	**(2,567)**	**–**	**(2,017)**	**(9,031)**
Balances as at 02 July 2023	**159,891**	**(141,408)**	**(619,937)**	**–**	**(983,090)**	**(1,584,544)**

8 TAX

RECOGNITION AND MEASUREMENT

Income tax expense represents the sum of the tax currently payable and deferred tax.

CURRENT TAXES

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities at the tax rates and tax laws enacted or substantively enacted by the balance sheet date in respective jurisdictions.

DEFERRED TAXES

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax assets and unused tax losses, to the extent that it is probable that taxable profits will be available to utilise them.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on temporary differences at balance sheet date between accounting carrying amounts and the tax bases of assets and liabilities, other than for the following:

- where they arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- where taxable temporary differences relate to investments in subsidiaries, associates and interests in joint ventures.

Deferred tax liabilities are not recognised if the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised if it is not probable that the temporary differences will reverse in the foreseeable future and taxable profit will not be available to utilise the temporary differences.

Deferred tax liabilities are not recognised on the recognition of goodwill.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

8 TAX (continued)

PILLAR TWO TOP-UP TAX

The Group is expected to be within the scope of Pillar Two top-up tax being implemented in Australia (as it will apply to entities with revenues exceeding EURO750 million and the Group's revenues exceed this threshold). The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

OFFSETTING DEFERRED TAX BALANCES

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

UNRECOGNISED TAXABLE TEMPORARY DIFFERENCES ASSOCIATED WITH INVESTMENTS AND INTERESTS

At the end of the financial year, an aggregate deferred tax liability of $155,582 thousand (2022: $112,796 thousand) was not recognised in relation to investments in subsidiaries as the parent Company is able to control the timing of the reversal of the temporary differences and it is not probable that the temporary difference will reverse in the foreseeable future.

INCOME TAX RECOGNISED IN THE PROFIT OR LOSS

	2023 $'000	2022 $'000
Tax expense comprises:		
Current tax expense in respect of the current year	30,883	62,479
Adjustments recognised in the current year in relation to the current tax of prior years	(6,217)	3,857
	24,666	66,336
Deferred tax expense/(income) relating to the origination and reversal of temporary differences	(3,735)	8,367
Deferred tax expense/(income) relating to the change in tax rate in other jurisdictions	(910)	(811)
Total tax expense	20,021	73,892
Income tax expense/(benefit) is attributable to:		
Profit from continuing operations	31,603	77,587
(Loss) from discontinued operations	(11,582)	(3,695)
	20,021	73,892

RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX RATE

	2023 $'000	2022 $'000
Profit before tax from continuing operations	100,638	252,599
Profit from discontinued operation before income tax expense	(38,021)	(11,975)
	62,617	240,624
Income tax expense calculated at 30%	18,785	72,187
Non-assessable/(non-deductible) amounts	5,844	454
Effect of tax concessions (research and development and other allowances)	(171)	(201)
Adjustments recognised in the current year in relation to the current tax of prior year	(6,154)	4,077
Adjustments recognised in the current year in relation to the deferred tax of prior year	2,430	(2,832)
Effect of different tax rates of subsidiaries operating in other jurisdictions	197	1,018
Effect of change in tax rate in other jurisdictions	(910)	(811)
Income tax expense recognised in profit or loss	20,021	73,892

8 TAX (continued)

The tax rate used for the 2023 and 2022 reconciliation above is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law.

INCOME TAX RECOGNISED IN EQUITY

Arising on income and expenses in other comprehensive income:	**2023 $'000**	2022 $'000
(Gain)/Loss on hedges taken to equity	**5,184**	(4,844)
(Gain)/Loss on defined benefit plan taken to equity	**134**	(185)
Share option trust	**293**	(4,515)
	5,611	(9,544)

CURRENT TAX ASSETS AND LIABILITIES

	2023 $'000	2022 $'000
Current tax assets		
Income tax refund receivable	**43,370**	1,234
	43,370	1,234
Current tax liabilities		
Income tax payable	**(24,241)**	(17,571)
	(24,241)	(17,571)

8 TAX (continued)

DEFERRED TAX BALANCES

2023	OPENING BALANCE $'000	ACQUISITION $'000	CHARGED TO P&L $'000	CHARGED TO EQUITY $'000	EXCHANGE DIFFERENCE $'000	CLOSING BALANCE $'000
Temporary differences						
Property, plant & equipment	**(1,412)**	**(3,189)**	**1,004**	**–**	**(120)**	**(3,717)**
Intangible assets	**(95,137)**	**(37,631)**	**456**	**–**	**(2,652)**	**(134,964)**
Provision for employee entitlements	**8,340**	**–**	**802**	**134**	**(177)**	**9,099**
Doubtful debts	**857**	**–**	**589**	**–**	**(28)**	**1,418**
Other financial liabilities	**(4,007)**	**–**	**442**	**5,184**	**202**	**1,821**
Options reserve	**217**	**–**	**42**	**293**	**–**	**552**
Unearned income	**3,225**	**–**	**(74)**	**–**	**(16)**	**3,135**
Other	**2,395**	**210**	**1,660**	**–**	**93**	**4,358**
	(85,522)	**(40,610)**	**4,921**	**5,611**	**(2,698)**	**(118,298)**
Unused tax losses and credits						
Tax losses	**273**	**–**	**(276)**	**–**	**4**	**1**
	(85,249)	**(40,610)**	**4,645**	**5,611**	**(2,694)**	**(118,297)**
Deferred tax asset						**498**
Deferred tax liability						**(118,795)**
						(118,297)

2022	OPENING BALANCE $'000	ACQUISITIONS $'000	CHARGED TO P&L $'000	CHARGED TO EQUITY $'000	EXCHANGE DIFFERENCE $'000	CLOSING BALANCE $'000
Temporary differences						
Property, plant & equipment	(2,806)	–	1,070	–	324	(1,412)
Intangible assets	(83,256)	(10,872)	(3,357)	–	2,348	(95,137)
Provision for employee entitlements	8,929	31	47	(185)	(482)	8,340
Doubtful debts	604	–	306	–	(53)	857
Other financial liabilities	4,334	–	(3,515)	(4,844)	18	(4,007)
Options reserve	4,924	–	(192)	(4,515)	–	217
Unearned income	4,671	49	(1,478)	–	(17)	3,225
Other	3,002	21	(528)	–	(100)	2,395
	(59,598)	(10,771)	(7,647)	(9,544)	2,038	(85,522)
Unused tax losses and credits						
Tax losses	88	–	188	–	(3)	273
	(59,510)	(10,771)	(7,459)	(9,544)	2,035	(85,249)
Deferred tax asset						–
Deferred tax liability						(85,249)
						(85,249)

9 ACQUISITION OF BUSINESSES

RECOGNITION AND MEASUREMENT

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets acquired, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Standard.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 9, with the corresponding gain or loss being recognised in the statement of profit or loss.

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with *AASB 112 Income Taxes* and AASB 119 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with AASB 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

9 ACQUISITION OF BUSINESSES (continued)

CURRENT YEAR ACQUISITIONS

ACQUISITION OF DOMINO'S PIZZA MALAYSIA, SINGAPORE AND CAMBODIA

Dommal Food Services Sdn.Bhd (Domino's Malaysia), Domino's Pizza Singapore Pte. (Domino's Singapore) and D. Pizza Co., Ltd (Domino's Pizza Cambodia)

On 30 November 2022, the Group acquired through its 100% controlled subsidiary Domino's Pizza Japan, Inc., 100% of the issued share capital of Dommal Food Services Sdn. Bhd ("Domino's Malaysia") and Domino's Pizza Singapore Pte. Ltd ("Domino's Singapore"). On 02 May 2023, the Group acquired through its 100% subsidiary Domino's Pizza Japan, Inc., 100% of the issued share capital of D. Pizza Co., Ltd ("Domino's Cambodia"). Domino's Malaysia, Domino's Singapore and Domino's Cambodia hold the franchise rights of Domino's in Malaysia, Singapore and Cambodia and also operates corporate stores. The acquisition is expected to expand the Group's markets across Asia. The acquisition in these regions was funded through debt raising.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below.

	FAIR VALUE $'000
Assets	
Cash and cash equivalents	**19,484**
Trade and other receivables	**3,752**
Inventories	**6,899**
Other assets	**4,251**
Current tax assets	**1,877**
Property, plant and equipment	**42,719**
Other intangible assets	**172,256**
Right-of-use assets	**28,809**
Total identifiable assets	**280,047**
Liabilities	
Trade and other payables	**(21,522)**
Lease liabilities	**(28,809)**
Provisions	**(2,091)**
Deferred tax liabilities	**(40,610)**
Total identifiable liabilities	**(93,032)**
Total identifiable net assets at fair value	**187,015**
Consideration paid or payable	**228,711**
Contingent Consideration	**26,932**
Total Consideration	**255,643**
Less identifiable net assets at fair value	**(187,015)**
Goodwill	**68,628**
Net Cash outflow arising on acquisition	
Consideration paid	**225,252**
Less Cash and cash equivalents	**(19,484)**
	205,768

9 ACQUISITION OF BUSINESSES (continued)

Goodwill arose on acquisition because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria of identifiable intangible assets.

In determining the fair value of assets arising from the acquisition, judgements and estimates are required to be applied.

Acquisition related costs of $4.3 million have been included as an expense in the consolidated statement of profit and loss. The revenue and results from continuing operations have been included in the Asia segment in note 1.

During the measurement period several fair value adjustments have been made the assets acquired and the liabilities assumed including the fair value of the contingent consideration which is the result of additional information obtained during the period about facts and circumstances that existed at the acquisition dates.

The initial accounting for the acquisition has only been provisionally determined at the end of the reporting period. At the date of the finalisation of the consolidated financial statement, the necessary market valuations and other calculations had not been finalised (as well as associated tax impacts) and have therefore only been provisionally determined based on the directors' best estimate of the likely fair value.

ACQUISITION OF DOMINO'S PIZZA STORES AND OTHER BUSINESSES

During the year the Group acquired a number of Domino's Pizza branded stores from former and current franchisees. The below provides a summary of these acquisitions during the year by segment:

2023

	ANZ	EUROPE	ASIA	TOTAL
Number of stores acquired	**69**	**12**	**15**	**96**

	ANZ $'000	EUROPE $'000	ASIA $'000	TOTAL $'000
Fair value on acquisition				
Inventories	503	–	–	503
Property, plant & equipment	5,548	1,437	2,407	9,392
Total identifiable net assets	6,051	1,437	2,407	9,895
Cash consideration	40,523	4,597	3,023	48,143
Less fair value of net identifiable assets	(6,051)	(1,437)	(2,407)	(9,895)
Goodwill	34,472	3,160	616	38,248

Goodwill arising on acquisition of stores in Europe is expected to be deductible for tax purposes. For the other jurisdictions, Goodwill arising on acquisitions is not deductible for tax purposes.

The cost of acquisitions comprise cash for all of the acquisitions. In each acquisition, the Group has paid a premium for the acquiree as it believes the acquisitions will introduce additional synergies to its existing operations.

Goodwill arose in the business combination as the consideration paid included a premium. In addition, the consideration paid for the stores effectively included amounts in relation to benefits from expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured and do not meet the recognition criteria of identifiable intangible assets.

Notes to the Financial Statements

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9 ACQUISITION OF BUSINESSES (continued)

PRIOR YEAR ACQUISITIONS

ACQUISITION OF DOMINO'S PIZZA TAIWAN

PizzaVest Company Limited (Domino's Taiwan)

On 31 August 2021, the Group acquired through its 100% controlled subsidiary Taiwan Domino's Pizza Co., Ltd, 100% of the issued share capital of PizzaVest Company Limited ("PizzaVest"). PizzaVest holds the franchise rights of Domino's in Taiwan and also operates corporate stores in Taiwan. The acquisition is expected to expand the Group's markets across Asia. The acquisition was funded through debt raising.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below.

	FAIR VALUE $'000
Assets	
Cash and cash equivalents	6,188
Trade and other receivables	7,035
Inventories	2,101
Other assets	661
Property, plant and equipment	1,867
Other intangible assets	54,589
Right-of-use assets	3,509
Total identifiable assets	75,950
Liabilities	
Trade and other payables	12,799
Current tax liabilities	1,074
Borrowings	10
Lease liabilities	3,627
Provisions	308
Deferred tax liabilities	10,771
Total identifiable liabilities	28,589
Total identifiable net assets at fair value	47,361
Total consideration	85,630
Less identifiable net assets at fair value	(47,361)
Goodwill	38,269
Net cash outflow arising on acquisition	
Total consideration – cash	85,630
Less Cash and cash equivalents	(6,188)
	79,442

9 ACQUISITION OF BUSINESSES (continued)

During the prior period, the Group finalised its acquisition of PizzaVest, with no revisions to the provisional acquisition accounting.

Goodwill arose on acquisition because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of PizzaVest. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria of identifiable intangible assets.

In determining the fair value of assets arising from the acquisition of PizzaVest, judgements and estimates are required to be applied.

Acquisition related costs of $1.4 million were included as an expense in the consolidated statement of profit and loss in prior period. The revenue and results from continuing operations have been included in the Asia segment in note 1.

In addition to the above, the Group paid $294 thousand relating to deferred consideration for a minor business acquisition which occurred in a prior period.

ACQUISITION OF DOMINO'S PIZZA STORES AND OTHER BUSINESSES

During the prior year the Group acquired a number of Domino's Pizza branded stores from former and current franchisees. The below provides a summary of these acquisitions during the prior year by segment:

2022	ANZ	EUROPE	ASIA	TOTAL
Number of stores acquired	37	23	1	61

	ANZ $'000	EUROPE $'000	JAPAN $'000	TOTAL $'000
Fair value on acquisition				
Inventories	262	–	–	262
Property, plant & equipment	4,043	2,912	255	7,210
Total identifiable net assets	4,305	2,912	255	7,472
Cash consideration	22,985	11,531	255	34,771
Less fair value of net identifiable assets	(4,305)	(2,912)	(255)	(7,472)
Goodwill	18,680	8,619	–	27,299

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10 DISCONTINUED OPERATION

EXITING THE DANISH MARKET

On 13 June 2023, the Group announced the exit of the Danish market. By 02 July 2023 all stores were closed and all operations ceased; therefore the operations of the Danish market has been classified as a discontinued operation. The Danish market was previously included in the Europe operating segment. With the Danish operations being classified as a discontinued operation, its results were no longer presented in the segment note.

FINANCIAL PERFORMANCE AND CASH FLOW INFORMATION

The financial performance and cash flow information for the year end 02 July 2023 are presented below.

	2023 $'000	2022 $'000
Revenues	**15,280**	18,006
Expenses [(i)]	**(25,405)**	(26,688)
Finance costs	**(113)**	(92)
Depreciation and amortisation expense	**(3,718)**	(3,201)
Loss before income tax	**(13,956)**	(11,975)
Impairment loss recognised and associated closure cost provisions	**(24,065)**	–
Income tax benefit/(expense)	**11,582**	3,695
Loss from discontinued operation	**(26,439)**	(8,280)
Net Cash Flows		
Net cash outflow from operating activities	**(12,024)**	(12,259)
Net cash outflow from investing activities	**(3,452)**	(3,642)
Net cash inflow from financing activities	**(1,609)**	(1,416)
Net decrease in cash generated by the Danish Market	**(17,085)**	(17,317)

(i) Includes $2.1 million of marketing costs related to the brand re-launch.

	2023 CENTS	2022 CENTS
Earnings per share		
Basic, profit/(loss) for the year from discontinued operations	**(30.0)**	(9.6)
Diluted, profit/(loss) for the year from discontinued operations	**(30.0)**	(9.5)

As a result of the stores closing and operations ceasing, an impairment cost of $17.2 million was recognised, pertaining to the write down of non-current assets.

This was recognised in discontinued operations in the consolidated statement of profit or loss.

11 PROPERTY, PLANT AND EQUIPMENT

RECOGNITION AND MEASUREMENT

The carrying value of property, plant and equipment is stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of an item.

DEPRECIATION AND AMORTISATION

Items of property, plant and equipment are depreciated on a straight-line basis over their useful lives. The estimated useful life of plant and equipment is between 1 and 10 years and equipment under finance lease is between 3 and 10 years.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

DERECOGNITION

An item of property, plant and equipment is derecognised when it is sold or otherwise disposed of, or when its use is expected to bring no future economic benefits. Any gain or loss from derecognising the asset, being the difference between the proceeds of disposal and the carrying amount of the asset, is included in the income statement in the period the item is derecognised.

IMPAIRMENT

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at the revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

Notes to the Financial Statements

continued

11 PROPERTY, PLANT AND EQUIPMENT (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

	PLANT & EQUIPMENT AT COST $'000	FREEHOLD LAND AND BUILDINGS $'000	TOTAL $'000
Year ended 02 July 2023			
Cost or fair value	**493,495**	**19,380**	**512,875**
Accumulated depreciation	**(187,463)**	**(754)**	**(188,217)**
Net carrying amount	**306,032**	**18,626**	**324,658**
Movement			
Opening net book amount	**273,471**	**–**	**273,471**
Additions	**108,195**	**–**	**108,195**
Acquisitions of Domino's Pizza stores and other businesses	**9,392**	**–**	**9,392**
Acquisition of subsidiary – refer to note 9	**22,918**	**19,801**	**42,719**
Disposals and write-offs	**(25,282)**	**–**	**(25,282)**
Impairment loss	**(33,303)**	**–**	**(33,303)**
Depreciation charge	**(51,202)**	**(754)**	**(51,956)**
Other including foreign exchange movements	**1,843**	**(421)**	**1,422**
Net carrying amount at the end of the year	**306,032**	**18,626**	**324,658**
Year ended 03 July 2022			
Cost or fair value	447,153	–	447,153
Accumulated depreciation	(173,682)	–	(173,682)
Net carrying amount	273,471	–	273,471
Movement			
Opening net book amount	274,130	–	274,130
Additions	120,713	–	120,713
Acquisitions of Domino's Pizza stores and other businesses	7,210	–	7,210
Acquisition of subsidiary – refer to note 9	1,867	–	1,867
Disposals and write-offs	(68,258)	–	(68,258)
Depreciation charge	(49,930)	–	(49,930)
Other including foreign exchange movements	(12,261)	–	(12,261)
Net carrying amount at the end of the year	273,471	–	273,471

There was no depreciation during the period that was capitalised as part of the cost of other assets.

12 LEASES

GROUP AS A LESSEE

The Group has lease contracts for various properties and equipment; including trucks and car equipment which is utilised in its operations. Leases of properties generally have lease terms of between 1 and 21 years, while operating equipment generally have lease terms between 1 and 7 years. The Group's obligations under its leases are secured by the lessor's title to the lease assets. The lease contracts include extension and termination options, which are further discussed below.

For these properties, a right-of-use asset and associated liability is recognised. Leased trucks and cars are primarily Group branded vehicles utilised by Domino's branded stores. The financial liability is measured at the net present value of future payments under the lease, including optional renewal periods, where the Group has assessed that the probability of exercising the renewal is reasonably certain.

The right-of-use asset has been measured, at either:

(a) the value of lease liability adjusted for any prepaid or accrued lease payments; or

(b) present value of commitment lease payment since commencement of the lease term (this approach resulted in an adjustment to opening retained earnings).

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The right-of-use assets are depreciated on a straight-line basis over the lease term; which is inclusive of extension option periods where the Group is reasonably certain the lease term will be extended. The lease terms range from 1 to 7 years for equipment (trucks and cars) leases and 2 to 21 years for property leases.

The Group also has certain leases of equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low value assets' recognition exemptions for these leases. The costs associated with the lease exemption is disclosed in Note 5.

At the end of each reporting period, the Group reviews the carrying amount of its right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. Refer to Note 11 which outlines the Group's accounting policy in regard to impairment assessment.

Set out below are the carrying amounts of the right-of-use assets recognised and movements during the year:

	PROPERTIES $'000	EQUIPMENT $'000	TOTAL $'000
As at 03 July 2022	282,485	24,360	**306,845**
Acquisition of subsidiary – refer to note 9	28,809	–	**28,809**
Net additions[i]	32,353	5,346	**37,699**
Impairment loss	(12,320)	–	**(12,320)**
Depreciation expense	(56,944)	(5,712)	**(62,656)**
Other including foreign exchange movement	(656)	(644)	**(1,300)**
As at 02 July 2023	**273,727**	**23,350**	**297,077**
As at 28 June 2021	317,830	27,081	344,911
Acquisition of subsidiary – refer to note 9	3,509	–	3,509
Net additions[i]	28,191	8,914	37,105
Depreciation expense	(49,302)	(9,846)	(59,148)
Other including foreign exchange movement	(17,743)	(1,789)	(19,532)
As at 03 July 2022	282,485	24,360	306,845

(i) Additions include net movement between right-of-use assets and investment in lease assets which arises due to the Company's occupied-operated properties becoming franchised.

Notes to the Financial Statements

continued

12 LEASES (continued)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2023 $'000
As at 03 July 2022	**(769,018)**
Acquisition of subsidiary – refer to note 9	**(28,809)**
Additions	**(97,183)**
Accretion of interest	**(10,075)**
Payments	**146,792**
Other including foreign exchange movement	**(3,052)**
As at 02 July 2023	**(761,345)**
Current	**(141,408)**
Non-current	**(619,937)**
Total lease liabilities	**(761,345)**

	2022 $'000
As at 28 June 2021	(760,925)
Acquisition of subsidiary – refer to note 9	(3,627)
Additions	(163,075)
Accretion of interest	(9,036)
Payments	132,367
Other including foreign exchange movement	35,278
As at 03 July 2022	(769,018)
Current	(122,304)
Non-current	(646,714)
Total lease liabilities	(769,018)

The maturity analysis of lease liabilities is disclosed in note 26.

The amounts recognised in the profit or loss for the year are disclosed in note 4 and note 5.

The future cash outflows relating to leases that have not yet commenced are disclosed in note 30.

The average effective interest rate contracted is approximately 1.33% (2022: 1.18%) per annum.

The Group has not recognised any variable payments in its finance lease arrangements.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

GROUP AS A LESSOR

The Group has a portfolio of long-term (greater than one year) 'back-to-back' property leases which secure competitive store locations on behalf of franchisees. Cash flows under these arrangements substantially offset each other.

These leases have terms of between 2 and 21 years. Leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

For back-to-back leases, a financial asset and financial liability is recognised, representing the present value of future cash flows receivable on the subleases and payable on the head lease respectively. Both categories of financial instruments generate interest income and expense, which materially offset within the income statement.

The financial assets recognised in relation to back-to-back leases have been recognised as "Investment in lease assets" in the Statement of Financial Position. The receipts from these back-to-back leases are included in "Receipts from subleases" in the Statement of Cash Flows within the financing activities.

12 LEASES (continued)

Set out below are the carrying amounts of investment in lease assets and the movements during the period:

	2023 $'000
As at 03 July 2022	**454,556**
Net additions	**59,156**
Accretion of interest	**5,840**
Receipts	**(80,784)**
Other including foreign exchange movement	**5,345**
As at 02 July 2023	**444,113**
Current	**78,179**
Non-current	**365,934**
Total investment in lease assets	**444,113**

	2022 $'000
As at 28 June 2021	407,797
Net additions	125,646
Accretion of interest	5,420
Receipts	(68,737)
Other including foreign exchange movement	(15,570)
Total as at 03 July 2022	454,556
Current	72,063
Non-current	382,493
Total investment in lease assets	454,556

Future minimum rentals receivable under non-cancellable operating leases as at the end of the year are as follows:

	2023 $'000	2022 $'000
Year 1	**84,386**	76,327
Year 2	**77,856**	75,687
Year 3	**70,780**	69,670
Year 4	**63,577**	62,569
Year 5	**54,694**	55,426
Onwards	**116,580**	136,275
Undiscounted lease payments	**467,873**	475,954
Less: unearned finance income	**(23,760)**	(21,398)
Net investment in leases	**444,113**	454,556
Current	**78,179**	72,063
Non-current	**365,934**	382,493
	444,113	454,556

EXTENSION AND TERMINATION OPTIONS

Extension and termination options are included in a number of property and equipment lease agreements across the Group. These options provide operational flexibility in managing the lease portfolio.

The Group applies criteria to assess whether the exercise of extension options within lease contracts is reasonably certain, including consideration of tenure at existing location, the remaining useful life of the store, plant and equipment, remaining term of sub-franchise agreements (where applicable) and alignment to the assumptions used in the Group's short to mid-term planning process. Future cash outflows in respect of leases may differ from leases liabilities recognised due to future decisions that may be taken by the Group that will determine whether the options are exercised in respect of the use of leased assets. There is no exposure to these potential additional payments in excess of the recognised lease liabilities until these decisions have been taken by the Group.

The majority of the Group's property leases have option periods or are able to be extended beyond the initial lease term which is at the Group's (lessee) discretion. Lease option periods are typically for fixed terms of between 1 to 10 years.

13 GOODWILL AND OTHER INTANGIBLES

RECOGNITION AND MEASUREMENT

GOODWILL

Goodwill acquired in a business combination is initially measured at cost. Cost is measured as the cost of the business combination minus the net fair value of the acquired and identifiable assets, liabilities and contingent liabilities. Following initial recognition, Goodwill is measured at cost less any accumulated impairment losses.

INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less amortisation and any impairment losses. Intangible assets with finite lives are amortised on a straight-line basis over their useful lives and tested for impairment whenever there is an indication that they may be impaired. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimates being accounted for on a prospective basis.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

The following useful lives are used in the calculation of amortisation:

- Capitalised development intangibles 2–10 years
- Licenses and other 2–10 years

Intangible assets with indefinite lives or not yet available for use are tested for impairment. Assets with an assumed indefinite useful life are reviewed at each reporting period to determine whether this assumption continues to be appropriate. If not, it is changed to a finite life intangible asset and amortised over its remaining useful life.

13 GOODWILL AND OTHER INTANGIBLES (continued)

ESTIMATES AND JUDGEMENTS – OTHER INTANGIBLES

MASTER FRANCHISE RIGHTS & FRANCHISE NETWORK ASSETS

Management has determined that the Master Franchise Rights ('MFA') relating to Domino's Pizza Germany and the Franchise Network Assets ('FNAs') arising on the acquisition of Hallo Pizza, Joey's Pizza and Pizza Sprint are to be treated as indefinite life intangible assets (2023: $42.0m, 2022: $43.1m). In addition, the same treatment has been applied to the MFA and associated franchise agreements recognised on the acquisition of Domino's Pizza Japan (2023: $36.2m, 2022: $37.7m), Domino's Pizza Taiwan (2023: $53.5m, 2022: $54.1m) and Domino's Pizza Malaysia, Singapore and Cambodia (2023: $168.9 million).This judgement is based on the sufficiency of available evidence supporting the ability of the Group to renew the underlying agreements beyond their initial terms without incurring significant cost.

USEFUL LIVES OF OTHER INTANGIBLES

Management uses their judgement to assess the useful lives of capitalised development intangibles and licenses. This is based on the estimated life of the asset and future economic benefits of the asset. The majority of these assets have a life of between 2–10 years.

	GOODWILL $'000
Year ended 02 July 2023	
Cost	**551,644**
Accumulated amortisation and impairment	**–**
Net carrying amount	**551,644**
Movement	
Net carrying amount at the beginning of the year	**485,707**
Acquisitions of Domino's Pizza stores and other businesses	**38,248**
Acquisitions through business combinations – refer to note 9	**68,628**
Disposals and write offs	**(12,507)**
Impairment charge – refer to note 6	**(28,001)**
Other including foreign exchange movement	**(431)**
Net carrying amount at the end of the year	**551,644**

	GOODWILL $'000
Year ended 03 July 2022	
Cost	485,707
Accumulated amortisation and impairment	–
Net carrying amount	485,707
Movement	
Net carrying amount at the beginning of the year	456,091
Acquisitions of Domino's Pizza stores and other businesses	27,299
Acquisitions through business combinations – refer to note 9	38,269
Disposals and write offs	(10,736)
Other including foreign exchange movement	(25,216)
Net carrying amount at the end of the year	485,707

Notes to the Financial Statements

continued

13 GOODWILL AND OTHER INTANGIBLES (continued)

	FINITE LIFE		INDEFINITE LIFE		
	CAPITALISED DEVELOPMENT $'000	LICENSES AND OTHER $'000	OTHER INDEFINITE LIFE INTANGIBLES $'000	FRANCHISE NETWORK ASSET $'000	OTHER INTANGIBLE ASSETS TOTAL $'000
Year ended 02 July 2023					
Cost	**267,639**	**67,891**	**247,394**	**251,658**	**834,582**
Accumulated amortisation and impairment	**(159,550)**	**(36,121)**	**–**	**–**	**(195,671)**
Net carrying amount	**108,089**	**31,770**	**247,394**	**251,658**	**638,911**
Movement					
Net carrying amount at the beginning of the year	**102,429**	**28,233**	**80,962**	**238,728**	**450,352**
Additions	**37,767**	**11,702**	**–**	**–**	**49,469**
Acquisitions through business combinations – refer to note 9	**360**	**–**	**171,896**	**–**	**172,256**
Disposals and write offs	**(395)**	**(467)**	**–**	**–**	**(862)**
Impairment charge – refer to note 6	**(2,455)**	**–**	**(3,267)**	**–**	**(5,722)**
Amortisation for the year	**(31,645)**	**(7,994)**	**–**	**–**	**(39,639)**
Other including foreign exchange movement	**2,028**	**296**	**(2,197)**	**12,930**	**13,057**
Net carrying amount at the end of the year	**108,089**	**31,770**	**247,394**	**251,658**	**638,911**
Year ended 03 July 2022					
Cost	229,493	60,025	80,962	238,728	609,208
Accumulated amortisation and impairment	(127,064)	(31,792)	–	–	(158,856)
Net carrying amount	102,429	28,233	80,962	238,728	450,352
Movement					
Net carrying amount at the beginning of the year	86,935	15,650	87,627	189,832	380,044
Additions	37,139	18,303	–	–	55,442
Acquisitions through business combinations – refer to note 9	231	–	–	54,358	54,589
Remeasurement	–	–	(2,190)	–	(2,190)
Disposals and write offs	(432)	–	–	–	(432)
Amortisation for the year	(20,287)	(3,906)	–	–	(24,193)
Other including foreign exchange movement	(1,157)	(1,814)	(4,475)	(5,462)	(12,908)
Net carrying amount at the end of the year	102,429	28,233	80,962	238,728	450,352

Included within the carrying of other indefinite life intangible assets are assets recognised in relation to master franchise rights.

13 GOODWILL AND OTHER INTANGIBLES (continued)

ALLOCATION OF GOODWILL AND INDEFINITE LIFE INTANGIBLE ASSETS TO CGUS

Goodwill and indefinite life intangible assets have been allocated for impairment testing purposes to the following CGUs:

- Australia and New Zealand markets
- Europe market, which comprises:
  - The Netherlands (NL)
  - France & Belgium (FR) & (BE)
  - Germany (DE)
- Asia market, which comprises:
  - Japan (JP)
  - Taiwan (TW)
  - Malaysia, Singapore and Cambodia (MSK)

The carrying amount of goodwill and other indefinite life intangible assets is allocated to the following CGUs:

	GOODWILL		GOODWILL IMPAIRMENT[(i)]	
	2023 $'000	2022 $'000	**2023 $'000**	2022 $'000
ANZ	**92,479**	80,209	**(11,650)**	–
FR & BE	**37,083**	53,739	**(13,533)**	–
NL	**15,016**	10,683	**(541)**	–
DE	**88,035**	80,274	**(1,926)**	–
JP	**213,822**	222,730	**(351)**	–
TW	**37,648**	38,072	**–**	–
MSK	**67,561**	–	**–**	–
Total	**551,644**	485,707	**(28,001)**	–

(i) The impairment of goodwill relates to the closure of corporate stores or where the corporate store's carrying value exceeds the recoverable amount. Refer to note 6.

	INDEFINITE LIFE INTANGIBLE ASSETS		INDEFINITE LIFE INTANGIBLE ASSETS IMPAIRMENT	
	2023 $'000	2022 $'000	**2023 $'000**	2022 $'000
ANZ	**226**	226	**–**	–
FR & BE	**49,964**	46,681	**–**	–
NL	**–**	3,219	**(3,267)**	–
DE	**190,184**	177,816	**–**	–
JP	**36,207**	37,669	**–**	–
TW	**53,477**	54,079	**–**	–
MSK	**168,994**	–	**–**	–
Total	**499,052**	319,690	**(3,267)**	–

13 GOODWILL AND OTHER INTANGIBLES (continued)

ESTIMATES AND JUDGEMENTS IN DETERMINING THE RECOVERABLE AMOUNT OF THE CASH GENERATING UNITS

Key assumptions used in determining the recoverable amount of assets include future cash flows, long-term growth rates and discount rates.

In assessing VIU, estimated cash flows are based on the Group's most recent Board approved business plan covering three year period. In forecasting the future cash flows changes in the macro-economic environment have been considered; including but not limited to the invasion of Ukraine by Russia, inflation and wage increases which have impacted on the Group's trading performance.

Long-term growth rates are based on past experience, expectations of external market operating conditions, and other assumptions which take account of the specific features of each business unit.

The recoverable amount has been determined using a VIU discounted cash flow model. In assessing VIU, the estimated future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and risk specific to the asset. Pre-tax discount rates used vary depending on country of operation.

As the Taiwan and MSK CGUs were recently acquired, the carrying amount approximates the recoverable amount. Any reasonably possible change in key assumptions, including the realisation of future forecast growth, may lead to a future impairment of the related goodwill.

The rates used in determining the recoverable amount are set out below:

	ANZ	FR & BE	NL	DE	JP	TW	MSK
Discount rate (post-tax)							
2023	**8.3%**	**11.7%**	**10.6%**	**8.8%**	**7.8%**	**11.9%**	**14.4%**
2022	10.4%	9.8%	9.0%	8.9%	8.5%	NA	NA
Nominal terminal growth rates							
2023	**2.5%**	**2.0%**	**2.0%**	**2.0%**	**1.0%**	**2.0%**	**2.0%**
2022	2.5%	1.7%	1.6%	1.2%	0.2%	NA	NA

The Group has reviewed sensitivity on the key assumptions on which the recoverable amounts are based and believes that any reasonable change would not cause the cash-generating units' carrying amount to exceed its recoverable amount.

The judgements and estimates used in assessing impairment are best estimates based on current and forecast market conditions and are subject to change in the event of shifting economic and operational conditions. Actual cash flows may therefore differ from forecasts.

IMPAIRMENT

The Group tests intangibles and goodwill for impairment:

- at least annually for indefinite life intangibles and not yet ready for use and goodwill; and
- where there is an indication that the asset may be impaired, which is assessed at least each reporting period; or
- where there is an indication that previously recognised impairment, on assets other than goodwill, may have changed.

If the asset does not generate independent cash inflows and its value in use cannot be estimated to be close to its fair value, the asset is tested for impairment as part of the cash-generating unit (CGU) to which it belongs.

Assets are impaired if their carrying value exceeds their recoverable amount. The recoverable amount of an asset or CGU is determined as the higher of its fair value less costs of disposal (FVLCOD) or value in use (VIU). An impairment loss recognised for goodwill is not reversed in subsequent periods.

IMPAIRMENT CALCULATIONS

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining FVLCOD, a discounted cash flow model is used based on a methodology consistent with that applied by the Group in determining the value of potential acquisition targets, maximising the use of market observed inputs. These calculations, classified as Level 3 on the fair value hierarchy, are compared to valuation multiples or other fair value indicators where available to ensure reasonableness.

13 GOODWILL AND OTHER INTANGIBLES (continued)

INPUTS TO IMPAIRMENT CALCULATIONS

For VIU calculations, cash flow projections are based on corporate plans and business forecasts prepared by management and approved by the Board.

On determining FVLCOD, the valuation model incorporates the cash flows projected over the duration of the current corporate plan period. These projections are discounted using a risk adjusted discount rate commensurate with a typical market participant's assessment of the risk associated with the projected cash flows.

For both the VIU and FVLCOD models, cash flows beyond the corporate plan period are extrapolated using estimated growth rates, which are based on Group estimates, taking into consideration historical performance as well as expected long-term operating conditions. Growth rates do not exceed the consensus forecasts of the long-term average rate for the industry in which the CGU operates.

Discount rates used in both calculations are based on the weighted average cost of capital determined by prevailing or benchmarked market inputs, risk adjusted where necessary. Other assumptions are determined with reference to external sources of information and use consistent, reasonable estimates for variables such as terminal cash flow multiples. Increases in discount rates or changes in other key assumptions, such as operating conditions or financial performance, may cause the recoverable amounts to reduce.

RECOGNISED IMPAIRMENT

There was no impairment recognised during the 2023 financial year (2022: nil), relating to impairment testing at a CGU level.

14 TRADE, OTHER RECEIVABLES AND OTHER ASSETS

RECOGNITION AND MEASUREMENT

TRADE RECEIVABLES

At initial recognition, trade receivables and other debtors that do not have a significant financing component are recognised at their transaction price.

Trade receivables generally have terms of up 30 days. They are recognised initially at fair value and subsequently at amortised cost using the effective interest method, less an allowance for impairment. Allowance for impairment is determined using an expected credit loss approach.

Before accepting any new franchisees and business partners, the Group uses extensive credit verification procedures. Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. With respect to trade receivables there are no indications as of the reporting date that the debtors will not meet their payment obligations.

INTEREST RATE RISK

Trade receivables are non-interest bearing and are therefore not subject to interest rate risk.

FAIR VALUE

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

CREDIT RISK

Credit risk arises from exposure to retail customers and franchisees, including outstanding receivables and committed transactions. Collectability and impairment are assessed on an ongoing basis at a regional level.

The Group applies the 'simplified approach' to measuring expected credit losses ("ECL") which uses a lifetime expected loss allowance for all trade receivables. The ECL is estimated using a provision matrix based on the Group's historical credit loss experiences.

The Group writes off trade receivables when there is information indicating the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed in liquidation or has entered bankruptcy proceedings. Trade receivables written off may still be subject to enforcement activities under the Group's recovery processes, considering legal advice where appropriate. Any recoveries made are recognised in profit and loss.

14 TRADE, OTHER RECEIVABLES AND OTHER ASSETS (continued)

	2023 $'000	2022 $'000
Trade receivables	**186,010**	170,956
Allowance for expected credit loss	**(12,132)**	(7,489)
Other receivables	**2,330**	124
Total trade and other receivables	**176,208**	163,591

	2023 $'000	2022 $'000
Prepayments	**24,474**	23,091
Work in progress – store builds	**1,317**	2,408
Other – current	**26,849**	20,261
Total other assets	**52,640**	45,760

	2023 $'000	2022 $'000
Movement in allowance for expected credit loss		
Balance at the beginning of the year	**7,489**	5,756
Provision for expected credit loss	**8,016**	6,330
Amounts written off as uncollectible	**(3,047)**	(317)
Amounts recovered during the year	**(737)**	(4,009)
Effect of foreign currency	**411**	(271)
Balance at the end of the year	**12,132**	7,489

Included in the Group's trade receivables balance are debtors with a carrying amount of $5,023 thousand (2022: $4,188 thousand), which are past due at the reporting date.

15 TRADE AND OTHER PAYABLES

RECOGNITION AND MEASUREMENT

These amounts represent liabilities for goods and services provided to the Group prior to the balance sheet date which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

	2023 $'000	2022 $'000
Current		
Trade payables	**260,203**	195,934
Goods and services tax (GST)/Value added tax (VAT) payable	**7,686**	5,813
Other creditors and accruals	**111,103**	102,228
Total trade and other payables	**378,992**	303,975

Notes to the Financial Statements

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16 PROVISIONS

RECOGNITION AND MEASUREMENT

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

EMPLOYEE BENEFITS

The provision for employee benefits represents annual leave, long service leave entitlements and incentives accrued by employees.

WAGES AND SALARIES

Liabilities for wages and salaries including non-monetary benefits expected to be settled within 12 months of the reporting date are recognised in provisions and other payables in respect of employees' services up to the balance sheet date. They are measured at the amounts expected to be paid when the liabilities are settled.

ANNUAL AND LONG SERVICE LEAVE

The liability for annual leave and long service leave is recognised in the provision for employee benefits. It is measured as the present value of expected future payments for the services provided by employees up to the reporting date. Expected future payments are discounted using market yields at the balance sheet date on terms to maturity and currencies that match as closely as possible to the estimated future cash outflows.

MAKE GOOD OBLIGATIONS

The Group is required to restore the leased premises of certain stores and buildings to their original condition when the premises are vacated. However, as leases are traditionally renewed or the make good obligation is waived, the Group recognises a provision for the leased premises where make good costs will result in a probable outflow of funds. Each reporting period a review of leased sites is conducted to determine the present value of the estimated expenditure required to return the leased premise to its original condition.

LEGAL PROVISION

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

The provision for legal claims relates to claims that have been brought against the Group by a number of former Pizza Sprint franchisees, refer to Note 31 for further details of this matter.

OTHER PROVISIONS

Other provisions relate to provision raised in relation to onerous contracts as a result of the Group's closure of Corporate stores. Refer to note 6.

ESTIMATES AND JUDGEMENTS

Management judgement is applied in determining the following key assumptions used in the calculation of long service leave and annual leave at balance date:

- future increases in wages and salaries;
- future on-cost rates; and
- experience of employee departures and period of service.

Notes to the Financial Statements

continued

16 PROVISIONS (continued)

	NOTE	2023 $'000	2022 $'000
Employee benefits		**21,088**	19,634
Defined benefit plan	33	**8,063**	7,281
Make good		**11,700**	1,910
Legal Provisions		**–**	1,604
Other Provisions		**7,352**	–
Total provisions		**48,203**	30,429
Current		**31,444**	21,559
Non-current		**16,759**	8,870
Total provisions		**48,203**	30,429

Movements in each class of provision during the financial year are set out below:

	MAKE GOOD $'000	LEGAL PROVISIONS $'000	OTHER $'000
Balance at 28 June 2021	1,646	1,811	–
Provision recognised on acquisition of subsidiary	78	–	–
Recognised in profit or loss	346	–	–
Reductions arising from payments	–	(105)	–
Movements resulting from remeasurement	(160)	(102)	–
Balance at 03 July 2022	**1,910**	**1,604**	**–**
Provision recognised on acquisition of subsidiary	**2,091**	**–**	**–**
Recognised in profit or loss	**5,811**	**–**	**7,147**
Reductions arising from payments	**–**	**(1,627)**	**–**
Movements resulting from remeasurement	**1,888**	**23**	**205**
Balance at 02 July 2023	**11,700**	**–**	**7,352**

The make good provision has increased in the year to take account of planned store closures (see note 6) and the acquisition of Domino's Pizza Malaysia, Singapore and Cambodia (see note 9) which considers the commercial lease arrangements. In addition, and in line with the Group's accounting policy, the Group has remeasured the make good provision following a review of all leased sites taking account of events in the year including store closures.

17 INVENTORY

RECOGNITION AND MEASUREMENT

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs to sell.

	2023 $'000	2022 $'000
Raw materials	**13,590**	12,335
Finished goods	**29,530**	18,526
Total inventory	**43,120**	30,861

17 INVENTORY (continued)

There are no inventories (2022: $nil) expected to be recovered after more than 12 months. Expenses relating to inventories are recorded under Food, equipment and packaging expenses. During the year, there has been a write-down of corporate store inventory to net realisable value of $1,036 thousand, which was recognised in Closure costs associated with corporate stores and operations. Refer to note 6.

CAPITAL

Capital provides information about the capital management practices of the Group.

18 EQUITY

ISSUED CAPITAL

	2023 $'000	2022 $'000
89,090,402 fully paid ordinary shares (03 July 2022: 86,553,914)	**430,476**	264,212

Changes to the Corporations Law abolished the authorised capital and par value concept in relation to share capital from 01 July 1998. Therefore, the Company does not have a limited amount of authorised capital and issued shares do not have a par value.

FULLY PAID ORDINARY SHARES

	2023		2022	
	NUMBER OF SHARES '000	**SHARE CAPITAL $'000**	NUMBER OF SHARES '000	SHARE CAPITAL $'000
Balance at beginning of financial period	**86,554**	**264,212**	86,523	259,500
Shares issued:				
Issue of shares under executive share option plan	**44**	**3,086**	31	4,712
Contributions of equity	**2,492**	**164,999**	–	–
Share issue transaction costs	**–**	**(1,821)**	–	–
Balance at end of financial year	**89,090**	**430,476**	86,554	264,212

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

OPTIONS

The Company approved the establishment of the Executive Share and Option Plan ("ESOP") to assist in the recruitment, reward and retention of its executives. The Company will not apply for quotation of the options on the ASX.

Subject to any adjustment in the event of a bonus issue, rights issue or reconstruction of capital, each option is convertible into one ordinary share. Refer to note 22.

PLACEMENT AND SHARE PURCHASE PLAN

On 02 December 2022, the company completed its $150 million share placement plan with institutional investors. The placement offer price was determined via a bookbuild process and priced at $66.38 per new share, the closing price on Wednesday, 30 November 2022. The placement was fully subscribed.

On 30 December 2022, the Company completed its $15 million share purchase plan with eligible shareholders with a registered address in Australia and New Zealand. The issue price was $65.54, being a 2% discount to the last closing price of the Company's share on the 22 December 2022. The placement was fully subscribed.

Funds raised under the Placement and Share Purchase Plan were used to fund the option exercise price for the acquisition of all the shares held by Domino's Pizza Group plc in the German joint venture any surplus was applied towards debt repayment.

18 EQUITY (continued)

TERMS AND CONDITIONS OF THE ESOP

The Company must not issue any shares or grant any option under this plan if, immediately after the issue or grant, the sum of the total number of unissued shares over which options, rights or other options (which remain outstanding) have been granted under this plan and any other Group employee incentive scheme would exceed 7.5% of the total number of shares on issue on a fully diluted basis at the time of the proposed issue or grant.

Fully diluted basis means the number of shares which would be on issue if all those securities of the Company which are capable of being converted into shares, were converted into shares. If the number of shares into which the securities are capable of being converted cannot be calculated at the relevant time, those shares will be disregarded.

During the year 44,378 options were exercised (2022: 30,549). A total of $3,086,628 was received as consideration for 44,378 fully paid ordinary shares of Domino's Pizza Enterprises Limited on exercise of the options in the current financial year (2022: $4,711,872).

DIVIDEND REINVESTMENT PLAN

On listing, the Board adopted but did not commence operation of a Dividend Reinvestment Plan ("DRP"). The DRP provides shareholders the choice of reinvesting some or all of their dividends in shares rather than receiving those dividends in cash.

The Board of Directors resolved to activate the DRP on 17 August 2006 with a commencement date of 21 August 2006. Shareholders with registered addresses in Australia or New Zealand are eligible to participate in the DRP. Shareholders outside Australia and New Zealand are not able to participate due to legal requirements applicable in their place of residence. On 18 August 2009, the Board resolved to suspend the DRP until further notice.

On 23 August 2023, the Board resolved to reactive the DRP and amend the terms of the DRP. Eligible Shareholders with registered addresses in Australia and New Zealand can elect to participate in the DRP and reinvest all or part of their cash dividends in additional shares in the capital of the Company.

The DRP will apply to the FY23 final dividend for Eligible Shareholders that elect to participate by 30 August 2023. Previous elections under the former DRP will not count.

The Company has entered into an underwriting agreement with Morgan Stanley to fully underwrite the FY23 final dividend. Therefore, the FY23 dividend will be fully subscribed to shares.

Shares allocated under the DRP rank equally with existing shares. Shares will be issued under the DRP at a price equal to the average of the daily volume weighted average market price of the Company's shares (rounded to the nearest cent) traded on the ASX during a period of ten trading days commencing on the second business day following the relevant record date, discounted by an amount determined by the Board.

RESERVES

FOREIGN CURRENCY TRANSLATION

Exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency, Australian dollars, are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

HEDGING RESERVE

The hedging reserve represents hedging gains and losses recognised on the effective portion of net investment and cash flow hedges.

OTHER RESERVES

Executive Share and Option Plan

The equity settled share-based benefits reserve arises on the grant of share options to executives under the Executive Share and Option Plan (ESOP). Further information about ESOP is made in note 22 to the financial statements. The Group settled the Domino's Pizza Enterprises Limited Employee Share Trust to manage the share option plan.

Non-controlling Interests

A component of the put option liability and non-controlling interest is recognised in Other Reserves. This is due to the Group's adoption of the partial recognition of the non-controlling interest method of accounting for the put option liability and non-controlling interest. This accounting policy is disclosed in Note 19 to the financial statements.

18 EQUITY (continued)

	2023 $'000	2022 $'000
Foreign currency translation	**(1,782)**	(18,632)
Hedging	**(3,313)**	8,426
Other	**(121,014)**	(126,642)
Balance at the end of the year	**(126,109)**	(136,848)
Foreign currency translation reserve		
Balance at beginning of financial year	**(18,632)**	7,754
Translation of foreign operations	**16,850**	(26,386)
Balance at the end of the year	**(1,782)**	(18,632)
Hedging reserve		
Balance at beginning of financial year	**8,426**	(1,364)
Net investment hedge	**(11,221)**	4,258
Cash flow hedge	**(5,702)**	10,376
Income tax related to gain/(loss) on hedging items	**5,184**	(4,844)
Balance at the end of the year	**(3,313)**	8,426
Other Reserves		
Balance at beginning of financial year	**(126,642)**	(156,777)
Share-based payment	**(1,028)**	(3,777)
Movement in put option liability and non-controlling interest	**6,593**	38,080
Share option trust	**293**	(4,515)
Remeasurement of defined benefit plan	**(230)**	347
Balance at the end of the year	**(121,014)**	(126,642)

RETAINED EARNINGS

RETAINED EARNINGS	NOTE	2023 $'000	2022 $'000
Balance at beginning of year		**294,593**	286,024
Net profit attributable to members of the Company		**40,570**	158,716
Payment of dividends	20	**(119,013)**	(150,147)
Balance at the end of the year		**216,150**	294,593

19 NON-CONTROLLING INTERESTS

RECOGNITION AND MEASUREMENT

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

19 NON-CONTROLLING INTERESTS (continued)

We have applied the partial recognition of the non-controlling interest method (equity method) when accounting for the put option liability and non-controlling interest. This approach is appropriate given the Company has no present ownership of the minority interest shares. While the non-controlling interest remains, the accounting treatment is as follows:

(a) The amount that would have been recognised for the non-controlling interest, including an update to reflect allocations of profit or loss, allocations of changes in other comprehensive income and dividends declared for the reporting period, as required by AASB 10;

(b) The non-controlling interest is derecognised as if it was acquired at that date;

(c) A financial liability at the present value of the amount payable on exercise of the non-controlling put in accordance with AASB 9. There is no impact on the profit or loss from the unwinding of the discount due to the passage of time; and

(d) The difference between (b) and (c) as an equity transaction in other reserves.

The non-controlling interest related to a 33.3% interest in the Group's operations in Germany.

On 10 November 2022, the Group received an option exercise notice from Domino's Pizza Group plc ("DPG") which required the purchase of all of DPG's shares in its joint venture with the Group in Germany. On 05 June 2023 the Group completed the payment to DPG, with a cash payment of EURO 79.2 million ($AUD 123.1 million), with a further EURO 10.8 million ($AUD 17.2 million) relating to payment of shareholder loans provided by DPG.

The Group had operational control of the joint venture since inception in December 2015, and there has been no change to operational management arising from the acquisition.

	NOTE	**2023 $'000**	2022 $'000
Balance at beginning of year		**–**	–
Non-controlling interest contributions during the period		**–**	(699)
Share of profit/(loss)		**2,026**	8,016
Foreign currency translation		**1,511**	(2,339)
Non-controlling interest put option adjustment		**(3,537)**	(4,978)
Balance at the end of the year		**–**	–

20 DIVIDENDS

	2023		2022	
	CENTS PER SHARE	**TOTAL $'000**	CENTS PER SHARE	TOTAL $'000
Recognised amounts				
Fully paid ordinary shares				
Interim dividend for half year ended(i)	**67.4**	**60,047**	88.4	76,514
Dividend for full year ended(ii)	**68.1**	**58,966**	85.1	73,633
	135.5	**119,013**	173.5	150,147
Unrecognised amounts				
Fully paid ordinary shares				
Dividend for full year ended(iii)	**42.6**	**37,953**	68.1	58,943

(i) The interim dividend for half year ended was franked at 60% (2022: 70%)
(ii) The dividend for full year ended was franked at 70% (2022: 70%)
(iii) The declared dividend was unfranked (2022: 70%)

On 23 August 2023, the Company declared an unfranked final dividend for FY23 of 42.6 cents per share.

The dividend will have a record date of 29 August 2023 and a payment date of 28 September 2023. The Company reactivated its Dividend Reinvestment Plan for eligible shareholders residing in Australia or New Zealand for the FY23 final dividend which will be fully underwritten by Morgan Stanley.

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20 DIVIDENDS (continued)

FRANKED DIVIDENDS

The franked portions of the final dividends determined after 02 July 2023 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the financial year ended 02 July 2023.

	2023 $'000	2022 $'000
Franking credits available for subsequent financial years based on a tax rate of 30%	**1,993**	222

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities for income tax and dividends after the end of the year.

21 EARNINGS PER SHARE

BASIC EARNINGS PER SHARE

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

	2023 CENTS	2022 CENTS
Earnings per share from continuing operations attributable to shareholders	**76.1**	193.0
Earnings per share from operations attributable to shareholders	**46.1**	183.4

DILUTED EARNINGS PER SHARE

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends);
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the year that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

The diluted earnings per share calculation takes into account all options issued under the ESOP, as in accordance with AASB 133 Earnings per Share, the average market price of ordinary shares during the period exceeds the exercise price of the options or warrants.

	2023 CENTS	2022 CENTS
From continuing operations attributable to the ordinary equity holders of the company	**76.1**	192.6
Earnings per share from operations attributable to shareholders	**46.0**	183.0

EARNINGS USED IN CALCULATING EARNINGS PER SHARE

	2023 $'000	2022 $'000
Profit from continuing operations	**67,009**	166,996
(Loss) from discontinued operation	**(26,439)**	(8,280)
Profit attributable to the ordinary equity shareholders of the Company used in calculating basic and diluted earnings per share	**40,570**	158,716

21 EARNINGS PER SHARE (continued)

WEIGHTED AVERAGE NUMBER OF SHARES USED AS DENOMINATOR

	2023 NO.'000	2022 NO.'000
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**87,996**	86,548
Adjustments for calculation of diluted earnings per share:		
Options on issue	**110**	165
Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted earnings per share	**88,106**	86,713

22 SHARE-BASED PAYMENTS

RECOGNITION AND MEASUREMENT

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. The fair value is measured by use of a Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with other parties are measured at the fair value of the goods and services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

EQUITY-SETTLED SHARE-BASED BENEFITS

The Company has one share plan and one share and option plan available for employees and directors and executives of the Company: the Domino's Pizza Exempt Employee Share Plan ("Plan") and the Domino's Pizza Executive Share and Option Plan (ESOP). Both plans were approved by a resolution of the Board of Directors on 11 April 2005. Fully paid ordinary shares issued under these plans rank equally with all other existing fully paid ordinary shares, in respect of voting and dividend rights and future bonus and rights issues.

EXECUTIVE SHARE AND OPTION PLAN

The Company established the ESOP to assist in the recruitment, reward, retention and motivation of directors and executives of the Company ("the participants").

In accordance with the provisions of the scheme, executives within the Company, to be determined by the Board, are granted options to purchase parcels of shares at various exercise prices. Each option confers an entitlement to subscribe for and be issued one share, credited as fully paid, at the exercise price.

Options issued under the ESOP may not be transferred unless the Board determines otherwise. The Company has no obligation to apply for quotation of the options on the ASX. However, the Company must apply to the ASX for official quotation of shares issued on the exercise of the options.

The Company must not issue any shares or grant any option under this plan if, immediately after the issue or grant, the sum of the total number of unissued shares over which options, rights or other options (which remain outstanding) have been granted under this plan and any other Group employee incentive scheme would exceed 7.5% of the total number of shares on issue on a fully diluted basis at the time of the proposed issue or grant.

Fully diluted basis means the number of shares which would be on issue if all those securities of the Company which are capable of being converted into shares, were converted into shares. If the number of shares into which the securities are capable of being converted cannot be calculated at the relevant time, those shares will be disregarded.

The following share-based payment arrangements were in existence during the current and comparative reporting period:

OPTIONS GRANTED UNDER THE INCENTIVE PLANS

Set out below are summaries of the performance options and rights granted in respect of the 2023 and 2022 financial years under the incentive plans:

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22 SHARE-BASED PAYMENTS (continued)

2023

OPTION SERIES	ISSUE & GRANT DATE	EXPIRY DATE	BALANCE AT START OF THE YEAR NUMBER	GRANTED DURING AND IN RESPECT OF THE YEAR NUMBER	EXERCISED DURING THE YEAR NUMBER	LAPSED/ FORFEITED DURING THE YEAR NUMBER	BALANCE AT END OF THE YEAR NUMBER	EXERCISABLE AT END OF THE YEAR NUMBER
(32)	**25 May 19**	**31 Aug 22**	**33,250**	**–**	**(33,250)**	**–**	**–**	**–**
(33)	**26 Nov 19**	**1 Sep 23**	**297,000**	**–**	**–**	**(297,000)**	**–**	**–**
(34)	**26 Nov 19**	**26 Nov 23**	**145,878**	**–**	**–**	**(145,878)**	**–**	**–**
(35)	**26 Nov 19**	**1 Sep 23**	**265,345**	**–**	**(7,970)**	**(219,440)**	**37,935**	**37,935**
(36)	**20 Aug 19**	**20 Aug 29**	**2,378**	**–**	**–**	**–**	**2,378**	**2,378**
(37)	**18 Aug 20**	**18 Aug 30**	**3,038**	**–**	**(505)**	**–**	**2,533**	**2,533**
(38)	**4 Nov 20**	**1 Sep 24**	**156,937**	**–**	**–**	**–**	**156,937**	**–**
(39)	**25 Nov 20**	**1 Sep 24**	**590,496**	**–**	**–**	**(30,184)**	**560,312**	**–**
(40)	**7 Jun 21**	**7 Jun 31**	**1,420**	**–**	**–**	**–**	**1,420**	**1,420**
(41)	**28 May 21**	**28 May 31**	**2,966**	**–**	**–**	**–**	**2,966**	**2,966**
(42)	**3 Nov 21**	**31 Aug 25**	**95,975**	**–**	**–**	**–**	**95,975**	**–**
(43)	**1 Oct 21**	**31 Oct 31**	**12,056**	**–**	**(2,293)**	**(61)**	**9,702**	**9,702**
(44)	**19 May 22**	**31 Aug 25**	**454,780**	**–**	**–**	**(33,843)**	**420,937**	**–**
(45)	**23 Aug 22**	**23 Aug 32**	**–**	**13,779**	**(360)**	**–**	**13,419**	**13,419**
(46)	**21 Nov 22**	**21 Nov 32**	**–**	**782**	**–**	**–**	**782**	**782**
(47)	**20 Dec 22**	**30 Jun 25**	**–**	**54,265**	**–**	**–**	**54,265**	**–**
(48)	**20 Dec 22**	**30 Jun 25**	**–**	**111,071**	**–**	**(3,839)**	**107,232**	**–**
TOTAL			**2,061,519**	**179,897**	**(44,378)**	**(730,245)**	**1,466,793**	**71,135**

2022

OPTION SERIES	ISSUE & GRANT DATE	EXPIRY DATE	BALANCE AT START OF THE YEAR NUMBER	GRANTED DURING AND IN RESPECT OF THE YEAR NUMBER	EXERCISED DURING THE YEAR NUMBER	LAPSED/ FORFEITED DURING THE YEAR NUMBER	BALANCE AT END OF THE YEAR NUMBER	EXERCISABLE AT END OF THE YEAR NUMBER
(29)	19 Apr 18	31 Aug 21	10,325	–	(10,325)	–	–	–
(31)	23 Jan 19	31 Aug 22	220,000	–	–	(220,000)	–	–
(32)	25 May 19	31 Aug 22	462,500	–	(15,750)	(413,500)	33,250	33,250
(33)	26 Nov 19	1 Sep 23	297,000	–	–	–	297,000	–
(34)	26 Nov 19	26 Nov 23	183,225	–	–	(37,347)	145,878	–
(35)	26 Nov 19	1 Sep 23	288,779	–	–	(23,434)	265,345	–
(36)	20 Aug 19	20 Aug 29	6,250	–	(3,872)	–	2,378	2,378
(37)	18 Aug 20	18 Aug 30	3,640	–	(602)	–	3,038	3,038
(38)	4 Nov 20	1 Sep 24	156,937	–	–	–	156,937	–
(39)	25 Nov 20	1 Sep 24	614,305	–	–	(23,809)	590,496	–
(40)	7 Jun 21	7 Jun 31	1,420	–	–	–	1,420	–
(41)	28 May 21	28 May 31	2,966	–	–	–	2,966	2,966
(42)	3 Nov 21	31 Aug 25	–	95,975	–	–	95,975	–
(43)	1 Oct 21	31 Oct 31	–	12,056	–	–	12,056	12,056
(44)	19 May 22	31 May 25	–	454,780	–	–	454,780	–
TOTAL			2,247,347	562,811	(30,549)	(718,090)	2,061,519	53,688

The weighted average exercise price at the date of the exercise of options during the 2023 financial year was $69.55. (2022: $154.24).

The weighted average remaining contractual life of options outstanding at the end of the 2023 financial year was 1.6 years (2022: 2.14 years)

22 SHARE-BASED PAYMENTS (continued)

FAIR VALUE OF SHARE OPTIONS GRANTED IN THE YEAR

The weighted average fair value of the options granted during the 2023 year is $59.65 (2022: $20.54). Options were valued using a Black Scholes option pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural conditions.

Series 45,46,47 and 48 are zero exercise price options, therefore the options share price at date of grant approximates the options fair value.

The model inputs for rights granted during 2022 financial year include:

PERFORMANCE CONDITIONS	SERIES 42	SERIES 44
Grant date share price	$142.30	$69.58
Exercise price	$127.09	$69.58
Expected volatility	35%	40%
Option life years	3.32	2.29
Dividend yield	1.74%	2.90%
Risk-free interest rate	0.89%	2.26%

Series 43 are zero exercise price options, therefore the options share price at date of grant approximates the options fair value.

SHARE OPTIONS EXERCISED DURING THE YEAR

The following share options granted under the ESOP were exercised during the year:

2023 OPTION SERIES	NUMBER EXERCISED	EXERCISE DATE	SHARE PRICE AT EXERCISE DATE ($)
(32) Issued 25 May 2019	**33,250**	**25 August 2022**	**$72.15**
(35) Issued 26 November 2019	**3,985**	**24 November 2022**	**$64.71**
(35) Issued 26 November 2019	**3,985**	**20 September 2022**	**$58.63**
(37) Issued 18 August 2020	**245**	**30 August 2022**	**$64.99**
(37) Issued 18 August 2020	**260**	**27 September 2022**	**$53.88**
(43) Issued 01 October 2021	**58**	**14 December 2022**	**$66.45**
(43) Issued 01 October 2021	**35**	**05 October 2022**	**$53.67**
(43) Issued 01 October 2021	**586**	**31 August 2022**	**$62.58**
(43) Issued 01 October 2021	**115**	**20 September 2022**	**$58.63**
(43) Issued 01 October 2021	**1,259**	**23 November 2022**	**$64.40**
(43) Issued 01 October 2021	**240**	**27 February 2023**	**$53.29**
(45) Issued 23 August 2022	**360**	**23 November 2022**	**$64.40**

2022 OPTION SERIES	NUMBER EXERCISED	EXERCISE DATE	SHARE PRICE AT EXERCISE DATE ($)
(36) Issued 20 August 2019	1,888	25 August 2021	$145.65
(29) Issued 19 April 2018	10,325	26 August 2021	$148.50
(36) Issued 20 August 2019	700	31 August 2021	$156.74
(37) Issued 18 August 2020	602	31 August 2021	$156.74
(32) Issued 25 May 2019	15,750	06 September 2021	$157.95
(36) Issued 20 August 2019	1,284	14 September 2021	$164.98

22 SHARE-BASED PAYMENTS (continued)

FINANCIAL MANAGEMENT

Financial management provides information about the debt management practices of the Group as well as the Group's exposure to various financial risks, how these affect the Group's financial position and performance and what the Group does to manage these risks.

23 BORROWINGS

RECOGNITION AND MEASUREMENT

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

	2023 $'000	2022 $'000
Loans from other entities		
Loans from other entities (ii)	–	16,851
Total from other entities	**–**	16,851
Uncommitted		
Bank loans	–	15,184
Total uncommitted borrowings	**–**	15,184
Committed		
Bank loans (i)	**978,591**	612,066
Total committed borrowings	**978,591**	612,066
Current	–	32,035
Non-current	**978,591**	612,066
Total borrowings	**978,591**	644,101

SUMMARY OF BORROWING ARRANGEMENTS:

(i) The Group's borrowings are unsecured.

(ii) Related to loans from Domino's Pizza Group plc relating to the German joint venture. This was repaid in the current year.

The unused facilities available on the Group's bank overdraft are $5,756 thousand (2022: $5,717 thousand). For further information in respect of the Group's borrowings, refer to note 26.

Notes to the Financial Statements

continued

24 FINANCIAL ASSETS

RECOGNITION AND MEASUREMENT

All financial assets are recognised and derecognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVPL) or through other comprehensive income (FVOCI) and those held at amortised cost.

Classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of financial assets at initial recognition. Generally, the Group does not acquire financial assets for the purpose of selling in the short-term. When the Group enters into derivative contracts, these transactions are designed to reduce exposures relating to assets and liabilities, firm commitments or anticipated transactions.

FINANCIAL ASSETS HELD AT AMORTISED COST

This classification applies to debt instruments which are held under a hold to collect business model and which have cash flows that meet the 'Solely payment of principal and interest' (SPPI) criteria.

Other financial assets are initially recognised at fair value plus related transaction costs; they are subsequently measured at amortised cost using the effective interest method. Any gain or loss on derecognition or modification of a financial asset held at amortised cost is recognised in the income statement.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis for financial assets held at amortised cost.

FINANCIAL ASSETS HELD AT FVOCI

This classification applies to the following financial assets:

- Debt instruments that are held under a business model where they are held for the collection of contractual cash flows and also for sale ('collect and sell') and which have cash flows that meet the SPPI criteria.

  All movements in the fair value of these financial assets are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue (including transaction costs by applying the effective interest method), gains or losses arising on derecognition and foreign exchange gains and losses which are recognised in the income statement. When the financial assets are derecognised, the cumulative fair value gain or loss previously recognised in other comprehensive income is reclassified to the income statement.

- Equity investment where the Group has irrevocably elected to present fair value gains and losses on revaluation in other comprehensive income. The election can be made for each individual investment however it is not applicable to equity investments held for trading.

  Fair value gains or losses on revaluation of such equity investments, including any foreign exchange components, are recognised in other comprehensive income. When the equity investment is derecognised, there is no reclassification of fair value gains or losses previously recognised in other comprehensive income to the income statement. Dividends are recognised in the income statement when the right to receive payment is established.

FINANCIAL ASSETS AT FVPL

This classification applies to the following financial assets, and in all cases, transaction costs are immediately expensed to the income statement:

- Debt instruments that do not meet the criteria of amortised cost or fair value through other comprehensive income. Subsequent fair value gains or losses are taken to the income statement.
- Equity investments which are held for trading or where the FVOCI election has not been applied. All fair value gains or losses are related dividend income are recognised in the income statement.
- Derivatives which are not designated as a hedging instrument. All subsequent fair value gains or losses are recognised in the income statement.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks.

24 FINANCIAL ASSETS (continued)

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

NON-CASH FINANCING AND INVESTING ACTIVITIES

Included in the movement of other financial assets are non-cash transactions of $36.5 million (2022: $74.0 million) for loans to Franchisees.

IMPAIRMENT OF FINANCIAL ASSETS

A forward looking ECL review is required for: debt instruments measured at amortised cost or held at fair value through other comprehensive income, loan commitments and financial guarantees not measured at fair value through profit or loss; lease receivables and trade receivables that give rise to an unconditional right to consideration.

As permitted by AASB 9, the Group applies the 'simplified approach' to trade receivable balances and the 'general approach' to all other financial assets (refer to note 14). The general approach incorporates a review for any significant increase in counterparty credit risk since inception. The ECL reviews include assumptions about the risk of default and expected loss rates.

DERECOGNITION OF FINANCIAL ASSETS

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

	2023 $'000	2022 $'000
Financial Assets		
Current		
Loans to franchisees	**31,708**	10,793
Foreign exchange forward contracts	**4,934**	10,099
Total current financial assets	**36,642**	20,892
Non-current		
Loans to franchisees	**77,937**	89,919
Allowance for doubtful loans	**(525)**	(490)
Interest rate swaps	**912**	1,319
Other	**761**	654
Long-term store rental security deposits	**29,849**	28,467
Total non-current financial assets	**108,934**	119,869
Current	**36,642**	20,892
Non-current	**108,934**	119,869
Total financial assets	**145,576**	140,761

IMPAIRMENT

Before providing any new loans to franchisees, the Group reviews the potential franchisee's credit quality, which is determined by reviewing a business plan and the projected future cash flows for that store, to ensure the franchisee is able to meet its interest repayments on the loan. On average, the interest charged was 6.4% (2022: 6.1%) in Australia and New Zealand, the average interest charged in France is 6.0% (2022: 6.0%), in the Netherlands is 7.0% (2022: 5.0%), in Germany is 5.0% (2022: 5.0%) and the average interest charged in Japan is 5.0% (2022: 5.0%).

24 FINANCIAL ASSETS (continued)

The Group applies the 'general approach' to measuring expected credit losses which uses a lifetime expected loss allowance if there has been no significant change in credit risk for franchisee loans where there has been a significant increase in credit risk. Otherwise it uses the 12-month expected credit loss. The general approach incorporates a review for any significant increase in counterparty credit risk since inception. The ECL review includes assumptions about the risk of default and expected credit loss rates.

	2023 $'000	2022 $'000
Franchisee loans	**109,645**	100,712
Allowance for doubtful loans	**(525)**	(490)
	109,120	100,222

	2023 $'000	2022 $'000
Ageing of Franchisee Loans		
Amounts not yet due	**109,120**	100,222
	109,120	100,222

	2023 $'000	2022 $'000
Movement in loss allowance		
Balance at the beginning of the year	**490**	62
Impairment losses recognised on loans	**–**	862
Amounts written off as uncollectible	**–**	(426)
Effect of foreign currency	**35**	(8)
Balance at the end of the year	**525**	490

25 FINANCIAL LIABILITIES

RECOGNITION AND MEASUREMENT

FINANCIAL LIABILITY AND EQUITY INSTRUMENTS

CLASSIFICATION AS DEBT AND EQUITY

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

EQUITY INSTRUMENTS

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Consolidated entity are recorded at the proceeds received, net of direct issue costs.

FINANCIAL GUARANTEES AND CONTRACT LIABILITIES

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVPL, are subsequently at the higher of:

- the amount of the obligation under the contract, as determined in accordance with AASB 137 *'Provisions, Contingent Liabilities and Contingent Assets'*; and
- the amount initially recognised less, where appropriate, cumulative amortisation in accordance with the revenue recognition policies set out in note 2.

25 FINANCIAL LIABILITIES (continued)

FINANCIAL LIABILITIES

Financial liabilities are classified as either financial liabilities 'at FVPL' or 'other financial liabilities'.

FINANCIAL LIABILITIES AT FVPL

Financial liabilities are classified as at FVPL when the financial liability is either held for trading or it is designated as at FVPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing in the near term; or
- on initial recognition it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading is designated as at FVPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance evaluated on a fair value basis, in accordance with the Consolidated entity's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 9 'Financial Instruments' permits the entire combined contract (asset or liability) to be designated as at FVPL.

Financial liabilities at FVPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

FINANCIAL BORROWINGS

Borrowing and other financial liabilities (including trade payables but excluding derivative liabilities) are recognised initially at fair value, net of transaction costs incurred, and are subsequently measured at amortised cost.

DERECOGNITION OF FINANCIAL LIABILITIES

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

ESTIMATES AND JUDGEMENTS

GERMANY PUT OPTION LIABILITY

The put option was associated with Domino's Pizza Germany (DPG) and was valued by management by taking into account adjusted unlevered price/earnings multiple rates and estimate of the timing of the exercise of the put. This was based on management's experience and knowledge of market conditions of the German Pizza industry and dealings with the sellers of Joey's Pizza and Hallo Pizza. As the inputs were not observable the liability was considered Level 3 in the fair value hierarchy.

FINANCIAL LIABILITIES	**2023 $'000**	2022 $'000
Current		
Interest rate swaps	**943**	220
Security deposits	**13,243**	12,428
Put/call minority interest liability[i]	**–**	127,355
Other	**317**	–
Total current financial liabilities	**14,503**	140,003

25 FINANCIAL LIABILITIES (continued)

FINANCIAL LIABILITIES	2023 $'000	2022 $'000
Non-current		
Contingent consideration [(ii)]	17,336	–
Other	991	511
Total non-current financial liabilities	**18,327**	511
Current	14,503	140,003
Non-current	18,327	511
Total financial liabilities	**32,830**	140,514

(i) Put/call option liability was in respect of the minority interest in Domino's Germany, this was settled in the current year.

(ii) Contingent consideration has arisen upon the acquisition of Domino's Pizza Malaysia, Singapore and Cambodia, refer to note 9. Under the sale and purchase agreements, additional consideration is payable to the previous owners, which is contingent on the achievement of an adjusted multiple of average EBITDA for the calendar years 2023 and 2024 or 2024 and 2025. Movements in the liability relate to the unwinding of the discount and changes to the estimated contingent consideration payable, which is highly sensitive to changes in forecasted EBITDA. Whilst management's medium and long-term EBITDA expectations for the acquired business have not changed, the earnings growth profile has been updated.

FAIR VALUE OF DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

As described in note 26, management uses their judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. For derivative financial instruments, assumptions are made based on quoted market rates adjusted for specific features of the instrument. Other financial instruments are valued using a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices or rates. Details of assumptions are provided in note 26.

26 FINANCIAL RISK MANAGEMENT

CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern, while maximising the return to stakeholders through optimisation of the debt and equity balances.

The capital structure of the Group consists of net debt, which includes borrowings, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves, retained earnings and non-controlling interest.

The Group operates globally, primarily through subsidiary companies established in the markets in which the Group trades, these companies are not subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand the Groups assets, as well as to make routine outflows of tax, dividends and repayment of maturing debt. The Group policy is to control borrowing centrally; using a variety of capital market issues and borrowing facilities, to meet anticipated funding requirements.

The Group's management and board of directors review the capital structure formally on an annual basis. The board of directors consider the cost of capital and associated risk. Based on recommendations from management and the board of directors, the Group will balance its overall capital structure through payment of dividends, new share issues and issue or redemption of debt.

26 FINANCIAL RISK MANAGEMENT (continued)

GEARING RATIO

The gearing ratio at the end of the reporting period was as follows:

	2023 $'000	2022 $'000
Debt(i)	**983,090**	647,858
Cash and cash equivalent	**(159,891)**	(76,877)
Net debt	**823,199**	570,981
Equity(ii)	**520,517**	421,957
Net debt to equity ratio	**158.2%**	135.3%

(i) Debt is defined as long-term and short-term borrowings, excluding capitalised borrowing costs, as detailed in note 23.

(ii) Equity includes all capital and reserves that are managed as capital.

The categories of financial assets and liabilities are outlined below:

			2023		2022	
FINANCIAL ASSETS	**CLASSIFICATION**	**NOTE**	**INTEREST RATE %(i)**	**$'000**	INTEREST RATE %(i)	$'000
Trade and other receivables	Amortised cost	14	**–**	**176,208**	–	163,591
Loans receivable	Amortised cost	24	**5.98**	**109,120**	6.18	100,222
Other financial assets	Amortised cost	24	**–**	**761**	–	2,468
Deposits	Amortised cost	24	**–**	**29,849**	–	28,467
Investment in lease assets	Amortised cost	12	**1.30**	**444,113**	1.26	454,556
Interest rate swaps	Derivative financial instrument	24	**–**	**912**	–	1,319
Forward exchange contracts	Derivative financial instrument	24	**–**	**4,934**	–	10,099

			2023		2022	
FINANCIAL LIABILITIES	**CLASSIFICATION**	**NOTE**	**INTEREST RATE %(i)**	**$'000**	INTEREST RATE %(i)	$'000
Trade and other payables	Amortised cost	15	**–**	**378,992**	–	303,976
Other financial liabilities	Amortised cost	25	**–**	**14,551**	–	12,939
Bank loans	Amortised cost	23	**2.08**	**983,090**	1.30	627,250
Loans from other entities	Amortised cost	23	**–**	**–**	2.70	16,851
Lease liabilities	Amortised cost	12	**1.30**	**761,345**	1.18	769,018
Put option liability	FVOCI	25	**–**	**–**	–	127,355
Contingent consideration	FVPL	25	**–**	**17,336**	–	–
Interest rates swaps	Derivative financial instrument	25	**–**	**943**	–	220

(i) Interest rates represent the weighted average effective interest rate.

26 FINANCIAL RISK MANAGEMENT (continued)

FINANCIAL RISK MANAGEMENT

Group treasury co-ordinates access to financial markets, monitors and manages the financial risks relating to the operations of the Group in line with its policies. These risks include;

- Liquidity risk
- Market risk, including foreign currency, interest rate and commodity price risk; and
- Credit risk

The Group seeks to manage and minimise its exposure to these financial risks by using derivative financial instruments to hedge the risk, governed by the approved Group policies, which provides written principles on foreign exchange risk, interest rate risk, credit risk and the use of derivatives and investment of excess liquidity. Compliance with policies and exposure limits are reviewed by the board of directors. The Group does not enter into or trade financial instruments, including derivative instruments, for speculative purposes.

LIQUIDITY RISK

NATURE OF THE RISK

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, continuously monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

FINANCING FACILITIES

	2023 $'000	2022 $'000
Unsecured bank overdraft, reviewed annually and payable at call:		
Amount used	**–**	–
Amount unused	**5,756**	5,717
Total	**5,756**	5,717
Committed commercial bill facilities:		
Amount used	**983,090**	632,674
Amount unused	**257,287**	230,312
Total	**1,240,377**	862,986
Uncommitted facilities, at call:		
Amount used	**–**	15,184
Amount unused	**23,836**	35,859
Total	**23,836**	51,043
Commercial bill facilities:		
Floating rate borrowings	**655,086**	411,619
Fixed rate borrowings	**328,004**	236,239
Total	**983,090**	647,858

MATURITY OF FINANCIAL ASSETS AND LIABILITIES

The following tables analyse the Group's financial assets and liabilities, including net and gross settled financial instruments, into relevant maturity periods based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows and hence will not necessarily reconcile with the amounts disclosed in the balance sheet.

Expected future interest payments on loans and borrowings exclude accruals already recognised in trade and other payables.

Notes to the Financial Statements

continued

26 FINANCIAL RISK MANAGEMENT (continued)

For foreign exchange derivatives and cross-currency interest rate swaps, the amounts disclosed are the gross contractual cash flows to be paid.

For interest rate swaps, the cash flows are the net amounts to be paid at each quarter, excluding accruals included in trade and other payables, and have been estimated using forward interest rates applicable at the reporting date.

02 JULY 2023	LESS THAN 1 YEAR $'000	1–5 YEARS $'000	MORE THAN 5 YEARS $'000
Financial assets			
Trade and other receivables	**176,208**	–	–
Interest rate swap	–	**912**	–
Loans receivable	**31,708**	**77,412**	–
Cash and cash equivalents	**159,891**	–	–
Other financial assets	–	**761**	–
Investment in lease assets	**84,386**	**266,906**	**116,581**
Foreign exchange contracts	**4,934**	–	–
Deposits	–	**29,849**	–
Financial liabilities			
Trade and other payables	**(378,992)**	–	–
Derivative instruments in designated hedge accounting relationships	**(943)**	–	–
Bank loans	–	**(983,090)**	–
Lease liabilities	**(146,530)**	**(438,163)**	**(196,716)**
Contingent consideration	–	**(23,324)**	–
Other financial liabilities	**(317)**	**(14,234)**	–

03 JULY 2022	LESS THAN 1 YEAR $'000	1–5 YEARS $'000	MORE THAN 5 YEARS $'000
Financial assets			
Trade and other receivables	163,591	–	–
Interest rate swap	–	1,319	–
Loans receivable	10,793	89,429	–
Cash and cash equivalents	76,877	–	–
Other financial assets	–	2,468	–
Investment in lease assets	72,063	250,699	131,794
Deposits	–	28,467	–
Forward exchange contracts	10,099	–	–
Financial liabilities			
Trade and other payables	(303,976)	–	–
Derivative instruments in designated hedge accounting relationships	(220)	–	–
Bank loans	(15,184)	(612,066)	–
Loans from other entities	(16,851)	–	–
Lease liability	(122,304)	(424,452)	(222,262)
Put option liability	(127,355)	–	–
Other financial liabilities	–	(12,939)	–

26 FINANCIAL RISK MANAGEMENT (continued)

The following table details the Group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

2023	**LESS THAN 1 MONTH $'000**	**1–3 MONTHS $'000**	**3 MONTHS TO 1 YEAR $'000**	**1–5 YEARS $'000**
Net Settled				
Interest rate swaps	**–**	**(32)**	**(911)**	**912**
Gross Settled				
Forward foreign exchange contracts – Inflow	**13,670**	**27,836**	**78,312**	**–**
Forward foreign exchange contracts – Outflow	**(13,076)**	**(26,533)**	**(75,019)**	**–**
	594	**1,303**	**3,293**	**–**

2022	LESS THAN 1 MONTH $'000	1–3 MONTHS $'000	3 MONTHS TO 1 YEAR $'000	1–5 YEARS $'000
Net Settled				
Interest rate swaps	–	(220)	–	1,319
Gross Settled				
Forward foreign exchange contracts – Inflow	10,172	23,739	86,142	–
Forward foreign exchange contracts – Outflow	(9,033)	(21,245)	(79,957)	–
	1,139	2,494	6,185	–

MARKET RISK

NATURE OF FOREIGN CURRENCY RISK

The Group's activities expose it primarily to the Euro and Japanese Yen currencies and to interest rate risk through its borrowings. The Group's foreign operations are carried out in New Zealand, Japan, Europe, Taiwan, Malaysia, Singapore and Cambodia, which exposes the Group's investments to movements in the AUD/NZD, AUD/JPY, AUD/EUR, AUD/TWD, AUD/SGD, AUD/MYR and AUD/USD exchange rates. The Group mitigates and manages the effect of its translational currency exposure by borrowing in NZ Dollar, Japanese Yen, Euro and Taiwanese Dollar.

The Group enters into a variety of derivative and non-derivative financial instruments to manage its exposure to interest rate and foreign currency risk, including;

- Interest rate swaps to mitigate risk of rising interest rates
- Cross currency interest rate swaps to mitigate rising interest rates and foreign exchange fluctuations
- Debt to manage currency risk
- Forward foreign exchange contracts to hedge the exchange rate risk of purchases

26 FINANCIAL RISK MANAGEMENT (continued)

EXPOSURE

The Group's exposure, before hedging arrangements, to the NZ Dollar, Euro, Japanese Yen, Taiwanese Dollar, Malaysian Ringgit, Singaporean Dollar and US Dollar, at the balance sheet date were as follows:

	ASSETS		LIABILITIES	
	2023 $'000	2022 $'000	**2023 $'000**	2022 $'000
New Zealand Dollar	**24,380**	20,418	**(33,461)**	(15,784)
Euro	**100,909**	75,774	**(63,904)**	(457,774)
Japanese Yen	**166,012**	129,059	**(523,198)**	(279,698)
Taiwan Dollar	**11,352**	18,237	**(9,645)**	(102,680)
Malaysian Ringgit	**24,676**	–	**(20,187)**	–
Singapore Dollar	**3,885**	–	**(8,258)**	–
United States Dollar	**67**	–	**(2,861)**	–

SENSITIVITY TO FOREIGN EXCHANGE MOVEMENTS

The sensitivity analysis below shows the impact that a reasonable possible change in foreign exchange rates over a financial year would have on profit after tax and equity, based solely on the Group's foreign exchange rate exposure existing at the balance sheet date. The Group has used the observed range of actual historical rates for the preceding five-year period, with a heavier weighting placed on recently observed market data, in determining reasonable possible exchange movements to be used for the current year's sensitivity analysis. Past movements are not necessarily indicative of future movements.

The following exchange rates have been used in performing the sensitivity analysis:

	EURO	JPY	NZD	TWD	SGD	MYR	USD
Actual 2023	**0.61**	**95.92**	**1.09**	**20.63**	**3.10**	**0.90**	**0.66**
+ 10%	**0.67**	**105.51**	**1.20**	**22.69**	**3.41**	**0.99**	**0.73**
– 10%	**0.55**	**86.33**	**0.98**	**18.57**	**2.79**	**0.81**	**0.60**
Actual 2022	0.65	92.2	1.10	20.40	–	–	–
+ 10%	0.72	101.42	1.21	22.44	–	–	–
– 10%	0.59	82.98	0.99	18.36	–	–	–

The Group's exposure to changes in market interest rates relates primarily to the Group's debt obligations that have floating interest rates.

The impact on profit and equity is estimated by relating the hypothetical changes in the NZ Dollar, Japanese Yen, Euro, Malaysian Ringgit, Singapore Dollar and United States Dollar exchange rate to the balance of financial instruments at the reporting date. Foreign currency risks, as defined by AASB 7 Financial Instruments: disclosure, arise on account of the financial instruments being denominated in a currency that is not the functional currency in which the financial instruments are measured.

Differences from the translation of the financial statements into the Group's presentation currency are not taken into consideration in the sensitivity analysis. The results of the foreign exchange rate sensitivity analysis are driven by three main factors, as outlined below:

- The impact of applying the above foreign exchange movements to financial instruments that are not in hedge relationships will be recognised directly in profit or loss;
- To the extent that the foreign currency denominated derivatives on balance sheet form part of an effective cash flow hedge relationship, any fair value movements caused by applying the above sensitivity movements will be deferred in equity and will not affect profit or loss; and
- Movements in financial instruments forming part of an effective fair value hedge relationship will be recognised in profit or loss. However, as a corresponding entry will be recognised for the hedged item, the net effect on profit or loss will be nil.

The below table details the impact of the Group's profit after tax and other equity had there been a movement in the NZ Dollar, Japanese Yen, Euro, Malaysian Ringgit, Singapore Dollar and United States Dollar with all other variables held constant.

26 FINANCIAL RISK MANAGEMENT (continued)

	TOTAL IMPACT	
	2023 $'000	2022 $'000
Profit or (loss)		
If there was a 10% increase in exchange rates with all other variables held constant	**–**	–
If there was a 10% decrease in exchange rates with all other variables held constant	**–**	–
Other equity		
If there was a 10% increase in exchange rates with all other variables held constant	**29,975**	16,960
If there was a 10% decrease in exchange rates with all other variables held constant	**(38,846)**	(20,729)

FOREIGN CURRENCY RISK MANAGEMENT

The hedging function of the Group is to address foreign currency risk and is managed centrally. The Group requires all subsidiaries to hedge foreign exchange exposures for firm commitments relating to sale or purchases or when highly probable forecast transactions have been identified. Before hedging, the subsidiaries are also required to take into account their competitive position. The hedging instrument must be in the same currency as the hedged item.

The objective of the Group's policy on foreign exchange hedging is to protect the Group from adverse currency fluctuations.

NATURE OF INTEREST RATE RISK

INTEREST RATE RISK MANAGEMENT

The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swaps. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

From a Group perspective, any internal contracts are eliminated as part of the consolidation process, leaving only external contracts.

EXPOSURE

As at the balance sheet date, the Group had financial assets and liabilities with exposure to interest rate risk. Interest on financial instruments classified as floating rate, is repriced at intervals of less than one year. Interest on financial instruments, classified as fixed rate, is fixed until maturity of the instrument. The classification between fixed and floating interest takes into account applicable hedge instruments. Other financial instruments of the Group that are not included in the following table are non-interest bearing and are therefore not subject to interest rate risk.

SENSITIVITY TO INTEREST RATE MOVEMENTS

The following sensitivity analysis shows the impact that a reasonable possible change in interest rates would have on Group profit after tax and equity. The impact is determined by assessing the effect that such a reasonable possible change in interest rates would have had on the interest income/(expense) and the impact on financial instrument fair values. This sensitivity is based on reasonable possible changes over a financial year, determined using observed historical interest rate movements of the preceding five-year period, with a heavier weighting given to more recent market data.

If interest rates had moved by 100 basis points and with all other variables held constant, profit before tax and equity would be affected as follows:

	IMPACT ON PROFIT BEFORE TAX	
	2023 $'000	2022 $'000
Interest rates – increase by 100 basis points	**(5,834)**	(3,630)
Interest rates – decrease by 100 basis points	**5,051**	474

Notes to the Financial Statements
continued

26 FINANCIAL RISK MANAGEMENT (continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts and estimated fair values of all Group's financial instruments recognised in the financial statements are materially the same.

The methods and assumptions used to estimate the fair value of financial instruments are as follows:

CASH

The carrying amount is the fair value due to the asset's liquid nature.

RECEIVABLES/PAYABLES

Due to the short-term nature of these financial rights and obligations, carrying amounts represent the fair values.

OTHER FINANCIAL ASSETS/LIABILITIES

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'Other financial Assets'. Loans are measured at amortised cost using the effective interest method less impairment. Interest income is recognised by applying the effective interest rate.

DERIVATIVES

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts, interest rate swap contracts and cross-currency interest rate swaps are all valued using forward pricing techniques. This includes the use of market observable inputs, such as foreign exchange spot and forward rates, yield curves of the respective currencies, interest rate curves and forward rate curves of the underlying commodity. Accordingly, these derivatives are classified as Level 2.

INTEREST BEARING LOANS AND BORROWINGS

Quoted market prices or dealer quotes for similar instruments are used to value long-term (greater than one year) debt instruments.

VALUATION OF FINANCIAL INSTRUMENTS

For all fair value measurements and disclosures, the Group uses the following to categorise the method used:

- Level 1: the fair value is calculated using quoted prices in active markets.
- Level 2: the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The following table presents the Group's assets and liabilities measured and recognised at fair value at the reporting date.

02 JULY 2023	LEVEL 1 $'000	LEVEL 2 $'000	LEVEL 3 $'000	TOTAL $'000
Recurring fair value measurements				
Financial assets				
Foreign exchange contracts	–	4,934	–	4,934
Interest rate swaps	–	912	–	912
Total financial assets	–	5,846	–	5,846
Financial liabilities				
Contingent consideration payable	–	–	17,336	17,336
Interest rate swaps	–	943	–	943
Total financial liabilities	–	943	17,336	18,279

26 FINANCIAL RISK MANAGEMENT (continued)

03 JULY 2022	LEVEL 1 $'000	LEVEL 2 $'000	LEVEL 3 $'000	TOTAL $'000
Recurring fair value measurements				
Financial assets				
Interest rate swaps	–	1,319	–	1,319
Foreign exchange contracts	–	10,099	–	10,099
Total financial assets	–	11,418	–	11,418
Financial liabilities				
Put option over non controlling interest	–	–	127,355	127,355
Interest rate swaps	–	220	–	220
Total financial liabilities	–	220	127,355	127,575

There have been no transfers between Level 1 and Level 2.

The only financial liabilities subsequently measured at fair value on Level 3 fair value measurement represent contingent consideration for acquisition for Domino's Malaysia, Singapore and Cambodia. No gain or loss for the year relating to these liabilities has been recognised in profit or loss.

The opening balance for the put option liabilities was $127.4 million and closing balance is $nil, due to payment made during the current period. The movement of the put liability is recorded in reserves.

No gain or loss relating to level 3 liabilities has been recognised in profit or loss.

VALUATION TECHNIQUES USED TO DERIVE LEVEL 2 AND 3 FAIR VALUES

The fair values of the financial assets and financial liabilities included in the level 2 and 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties and long-term revenue and profit growth rates.

The level 2 financial instruments have been valued using the discounted cash flow technique. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.

Specific valuation techniques used to value level 3 financial instruments include:

PUT OPTION OVER NON-CONTROLLING INTEREST

The valuation technique used was the unlevered price/earnings multiple which requires future earnings to be estimated. The significant unobservable inputs include adjusted unlevered price/earnings and the put option was exercisable on or after 01 January 2021, and was exercised on 10 November 2022. The earnings and margins were based on management's experience and knowledge of the market conditions of the industry, with the higher earnings resulting in a higher fair value and the shorter the time period resulting in a lower fair value.

CONTINGENT CONSIDERATION IN A BUSINESS COMBINATION

The discounted cash flow method was used to calculate the present value of the expected future economic benefits that will flow out of the Group arising from the contingent consideration. The significant unobservable inputs include the projected gross margin based on management's experience and knowledge of market and industry conditions. Significant increase/(decrease) in the gross profit would result in a higher/(lower) fair value of the contingent consideration liability.

HEDGING

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investment in foreign operations as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedge relationship meet all of the hedge effectiveness requirements prescribed in AASB 9.

26 FINANCIAL RISK MANAGEMENT (continued)

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio for the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Group holds the following hedging instruments:

FORWARD EXCHANGE CONTRACTS

Contracts denominated in US Dollar to hedge highly probable sale and purchase transactions (cash flow hedges).

INTEREST RATE SWAPS

To optimise the Group's exposure to fixed and floating interest rates arising from borrowings. These hedges incorporate cash hedges, which fix future interest payments, and fair value hedges, which reduce the Group's exposure to changes in the value of its assets and liabilities arising from interest rate movements

CROSS-CURRENCY INTEREST RATE SWAPS

To either reduce the Group's exposure to exchange rate variability in its interest repayments of foreign currency denominated debt (cash flow hedges) or to hedge against movements in the fair value of those liabilities due to exchange and interest rate movements (fair value hedges). The borrowing margin on the Group's cross-currency interest rate swap has been treated as a cost of hedging and deferred into equity. These costs are then amortised to the profit and loss as a finance cost over the remaining life of the borrowing.

CASH FLOW HEDGES

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria. This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur the gain or loss accumulated in equity is recognised immediately in profit or loss.

The Group uses cash flow hedges to mitigate the risk of variability of future cash flows attributable to foreign currency fluctuations over the hedging period associated with foreign currency borrowings and ongoing business activities, predominantly where there are highly probable purchases or settlement commitments in foreign currencies. The Group also uses cash flow hedges to hedge variability in cash flows due to interest rates associated with borrowings.

At 02 July 2023, the Group have interest rate swap agreements in place with a notional amount of ¥12 billion, whereby the Group receives a variable rate of interest of TIBOR and pays interest at a rate equal to 0.24% on the notional amount, with an expiration date of 24 August 2023. The swap is being used to hedge the exposure to changes in the fair value of its fixed rate secured loans.

During the year the Group has executed an additional interest rate swap agreement which commenced on 09 December 2022 for the notional amount of ¥11 billion whereby the Group receives a variable rate of interest of TIBOR +0% and pay interest at a rate equal to 0.526% on the notional amount.

In prior year, the Group has executed additional interest rate swap agreements which commenced on 24 August 2023 for the notional amount of ¥10 billion whereby the Group receives a variable rate of interest of TIBOR + 0% and pays interest at a rate equal to 0.17% on the notional amount.

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the financial year.

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates. No other sources of ineffectiveness emerged from these hedging relationships.

The impact of the hedging instruments on the statement of financial position as at 02 July 2023 is, as follows:

26 FINANCIAL RISK MANAGEMENT (continued)

	2023		2022	
	AUD $'000	**JPY ¥'000**	AUD $'000	JPY ¥'000
Interest Rate Swap				
Notional Amount[(i)]	**125,104**	**12,000,000**	130,152	12,000,000
Notional Amount[(ii)]	**104,254**	**10,000,000**	108,460	10,000,000
Notional Amount[(iii)]	**114,679**	**11,000,000**	–	–
Change in intrinsic value of outstanding hedging instrument since 03 July 2022 (AUD)	**(64)**	**–**	756	–
Change in value of hedged item used to determine hedge effectiveness (AUD)	**(30)**	**–**	(1,099)	–

(i) Interest rate swap has an expiration date of 24 August 2023

(ii) Interest rate swap has an expiration date of 24 August 2028

(iii) Interest rate swap has an expiration date of 25 November 2027

The line item in the statement of financial position which is impacted by the hedging instrument is current financial liabilities.

Amounts recognised in equity are transferred to income statement when the hedged transaction affects profit or loss, such as when hedged income or expenses are recognised or when a forecast sale occurs or the asset is consumed. When the hedged item is the cost of a non-financial asset or liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or roll over, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs.

HEDGES OF NET INVESTMENT IN FOREIGN OPERATIONS

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in Other Comprehensive Income and accumulated under the heading of foreign currency transaction reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operations.

Included in borrowings at 02 July 2023 is borrowings of $296,551 thousand, which has been designated as hedge of the net investments in the Group's European subsidiaries and $44,110 thousand, which has been designated as a hedge of the net investments in the Group's Taiwanese subsidiaries. These borrowings are being used to hedge the Group's exposure to the foreign exchange risk on these investments.

There are economic relationships between the hedged items and the hedging instruments as the net investment creates a transaction risk that will match the foreign exchange risk on the Euro and Taiwanese Dollar borrowings. The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instruments are identical to the hedged risk component. The hedge ineffectiveness will arise when the amount of the investment in the foreign subsidiary become lower than the amount of the fixed rate borrowing.

The impact of the hedging instruments on the statement of financial position is, as follows:

	2023 $'000	2022 $'000
Hedge of Net Investment in Foreign Operations		
Notional amount (EURO)	**180,867**	92,667
Carrying amount (AUD)	**296,551**	141,953
Change in intrinsic value of outstanding hedging instrument since 03 July 2022 (AUD)	**(10,724)**	3,750
Change in value of hedged item used to determine hedge effectiveness (AUD)	**10,724**	(3,750)
Notional amount (TWD)	**910,000**	910,000
Carrying amount (AUD)	**44,111**	44,608
Change in value of hedged item used to determine hedge effectiveness (AUD)	**(497)**	509

26 FINANCIAL RISK MANAGEMENT (continued)

HEDGING RESERVES

The Group's hedging reserves are disclosed in note 18.

CREDIT RISK

NATURE OF CREDIT RISK

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument or customer contract that will result in a financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily from customer receivables and from its financing activities, including deposits with financial institutions, foreign exchange transactions and other financial instruments).

CREDIT RISK MANAGEMENT: RECEIVABLES & LOANS

Customer credit risk is managed by each division subject to established policies, procedures and controls relating to customer credit risk management. The Group trades with recognised well-established franchisees. Depending on the division, credit terms for receivables are generally up to 30 days from date of invoice. Loans payments are received weekly in advance. The Group's exposure to bad debts is not significant and default rates have historically been very low on both receivables and loans.

Franchisee's and customers who trade on credit terms are subject to credit verification procedures, including an assessment of financial position, past experience and industry reputation. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. In the event that a loan defaults, the Group's policy is to purchase and operate the store as a corporate store.

The credit quality of trade receivables and loans has been assessed as high based on information on counterparty and historical counter party default. The carrying value of the Group's trade, other receivables and loans are denominated in Australian Dollars, NZ Dollars, Japanese Yen, Euro, Taiwanese Dollar, Malaysian Ringgit, Singaporean Dollar and the United States Dollar.

EXPOSURE

The Group's maximum credit exposure to current receivables, finance advances and loans are shown below:

	2023 $'000	2022 $'000
ANZ	**112,914**	109,006
Europe	**58,016**	53,740
Japan	**106,062**	93,102
Taiwan	**3,510**	6,332
Malaysia	**2,361**	–
Singapore	**772**	–
Cambodia	**8**	–
Total	**283,643**	262,180

CREDIT RISK MANAGEMENT: FINANCIAL INSTRUMENTS AND CASH DEPOSITS

Credit risk from balances with banks and financial institutions is managed by the Group in accordance with the Board-approved policy. Investments of surplus funds are made only with approved counterparties.

The carrying amount of financial assets represents the maximum credit exposure. There is also exposure to credit risk when the Group provides a guarantee to another party. Details of contingent liabilities are disclosed in note 31. There are no significant concentrations of credit risk within the Group.

26 FINANCIAL RISK MANAGEMENT (continued)

OFFSETTING FINANCIAL INSTRUMENTS

The Group presents its derivative assets and liabilities on a gross basis. Derivative financial instruments entered into by the Group are subject to enforceable master netting arrangements, such as International Swaps and Derivatives Association (ISDA) master netting agreements. In certain circumstances, for example, when a credit event such as a default occurs, all outstanding transactions under ISDA agreements are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The amounts set out in note 24 and 25 represent the derivative financial assets and liabilities of the Group, that are subject to the above arrangements and are presented on a gross basis.

GROUP STRUCTURE

Group structure explains aspects of the Group structure and how changes have affected the financial position and performance of the Group.

Notes to the Financial Statements

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27 SUBSIDIARIES

Details of the Company's subsidiaries at 02 July 2023 are as follows:

NAME OF ENTITY	PLACE OF INCORPORATION AND OPERATION	FUNCTIONAL CURRENCY	PROPORTION OF OWNERSHIP AND VOTING POWER HELD	
			2023 %	2022 %
Domino's Development Fund Pty Ltd[(i)]	Australia	AUD	**100**	100
Hot Cell Pty Ltd[(i)]	Australia	AUD	**100**	100
Silvio's Dial-a-Pizza Pty Ltd[(i)]	Australia	AUD	**100**	100
Impressu Print Group Pty Ltd[(i)(ii)]	Australia	AUD	**100**	100
Catering Service & Supply Pty Ltd[(i)]	Australia	AUD	**100**	100
Domino's Pizza Enterprises Ltd Employee Share Trust	Australia	AUD	**100**	100
Construction, Supply & Service Pty Ltd[(i)]	Australia	AUD	**100**	100
Ride Sports ANZ Pty Ltd[(i)]	Australia	AUD	**100**	100
Domino's Pizza New Zealand Limited	New Zealand	NZD	**100**	100
DPH NZ Holdings Limited	New Zealand	NZD	**100**	100
Domino's Pizza Japan, Inc.	Japan	JPY	**100**	100
Domino's Pizza Europe B.V.	The Netherlands	EUR	**100**	100
Domino's Pizza Netherlands B.V.	The Netherlands	EUR	**100**	100
DOPI Vastgoed B.V.	The Netherlands	EUR	**100**	100
Domino's Pizza Geo B.V.	The Netherlands	EUR	**50**	50
N4N B.V.	The Netherlands	EUR	**50**	50
Domino's Pizza Belgium S.P.R.L	Belgium	EUR	**100**	100
Daytona Holdco Limited (UK)	UK	EUR	**100**	100
Daytona JV Limited (UK)	UK	EUR	**100**	67
Ausmark Holdco Limited	UK	EUR	**100**	100
Ausmark ApS	Denmark	DKK	**100**	100
Daytona Germany GmbH	Germany	EUR	**100**	67
Domino's Pizza Deutschland GmbH	Germany	EUR	**100**	67
Hallo Pizza GmbH	Germany	EUR	**100**	67
DPEU Holdings S.A.S.	France	EUR	**100**	100
Domino's Pizza France S.A.S.	France	EUR	**100**	100
HVM Pizza S.A.R.L.	France	EUR	**100**	100
Fra-Ma-Pizz S.A.S.	France	EUR	**100**	100
Pizza Centre France S.A.S.	France	EUR	**100**	100
Groupe AVB S.A.S.	France	EUR	**100**	100
AVB2 S.A.R.L.	France	EUR	**100**	100
AVB Services S.A.R.L.	France	EUR	**100**	100
AVB3 S.A.R.L.	France	EUR	**100**	100
AVB4 S.A.R.L.	France	EUR	**100**	100
AVB5 S.A.R.L.	France	EUR	**100**	100
Taiwan Domino's Pizza Co., Ltd	Taiwan	TWD	**100**	100
PizzaVest Co., Ltd	Taiwan	TWD	**100**	100
Dommal Food Services Sdn Bhd	Malaysia	MYR	**100**	–
Domino's Singapore Pte Ltd	Singapore	SGD	**100**	–
D.Pizza Co. Ltd	Cambodia	USD	**100**	–

(i) This entity is a member of the tax-consolidated group where Domino's Pizza Enterprises Limited is the head entity within the tax-consolidated group.

(ii) Formally known as IPG Marketing Solutions Pty Ltd

28 PARENT ENTITY INFORMATION

PARENT ENTITIES

The parent entity and the ultimate parent entity in the Consolidated entity is Domino's Pizza Enterprises Limited.

FINANCIAL POSITION

	2023 $'000	2022 $'000
Assets		
Current assets	**178,869**	157,950
Non-current assets	**1,022,769**	870,945
Total assets	**1,201,638**	1,028,895
Liabilities		
Current liabilities	**195,293**	149,671
Non-current liabilities	**726,233**	656,526
Total liabilities	**921,526**	806,197
Equity		
Issued capital	**430,476**	264,212
Retained earnings	**(69,014)**	36,932
Reserves		
Equity-settled share-based benefits	**(81,918)**	(81,279)
Cashflow hedge reserve	**568**	2,833
Total equity	**280,112**	222,698

FINANCIAL PERFORMANCE

Profit for the year	**13,068**	129,857
Other comprehensive income	**(2,904)**	4,315
Total comprehensive income	**10,164**	134,172

TAX CONSOLIDATED GROUP

The Company and all its wholly-owned Australian resident entities are part of a tax consolidated group under Australian taxation law. Domino's Pizza Enterprises Limited is the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group approach' by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group).

The entities in the tax-consolidated group have not entered into a tax sharing agreement or tax funding agreement. Income tax liabilities payable to the tax authorities in respect of the tax-consolidated group are recognised in the financial statements of the parent entity.

A tax-consolidated group was formed with effect from 01 July 2003 and is therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Domino's Pizza Enterprises Limited. The members of the tax-consolidated group are identified at note 27.

CONTINGENT LIABILITIES OF THE PARENT ENTITY

Guarantees are provided to third party financial institutions in relation to franchisee loans. The amount disclosed as a contingent liability represents the amounts guaranteed in respect of franchisees that would not, without the guarantee, have been granted the loans. The directors believe that if the guarantees are ever called on, the Company will be able to recover the amounts paid upon disposal of the stores. Refer to note 31 for further information regarding the contingent liabilities of the parent entity.

Notes to the Financial Statements

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29 INVESTMENT IN JOINT VENTURE

RECOGNITION AND MEASUREMENT

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results, assets and liabilities of the joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of AASB 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AASB 136 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with AASB 9. The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group transacts with a joint venture of the group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

On 24 November 2014, the Group acquired 50% equity of a joint venture called Stuart Preston Pty Ltd as Trustee for the Preston Holdings Family Trust/Hot Cell Pty Ltd Partnership. The joint venture terminated in December 2020. On 30 March 2015, the Group acquired 50% equity of a joint venture called Triumphant Pizza Pty Ltd/Hot Cell Partnership. The joint venture was terminated 04 October 2022.

On 04 April 2016, the Group acquired 50% equity of a joint venture called Northern Beaches Enterprises Pty Ltd as trustee for the Northern Beaches Trust/Hot Cell Pty Ltd Partnership.

As per 03 February 2017 Domino's Pizza Netherlands B.V. entered into a joint venture named Domino's Pizza GEO B.V. with a franchisee, Mr. Steenks (50% each). Upon establishing this joint venture a total of three corporate stores previously owned by Domino's and two stores owned by the franchisee were transferred to the legal entity.

29 INVESTMENT IN JOINT VENTURE (continued)

UNRECOGNISED ITEMS

Unrecognised items provides information about items that are not recognised in the financial statements but could potentially have a significant impact on the Group's financial position and performance.

30 COMMITMENTS

The Group has various lease contracts that have not yet commenced as at 02 July 2023. The future lease payments for these non-cancellable lease contracts are $351 thousands within one year, $1,289 thousands within five years and $685 thousands thereafter.

CAPITAL EXPENDITURE COMMITMENTS

	2023 $'000	2022 $'000
Plant and equipment	**3,269**	7,851
Total	**3,269**	7,851

31 CONTINGENT LIABILITIES

RECOGNITION AND MEASUREMENT

Contingent liabilities acquired in a business combination are initially measured at fair value at the date of acquisition. At subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation.

	2023 $'000	2022 $'000
Guarantees – franchisee loans and leases	**8,172**	8,848
Total	**8,172**	8,848

Included above are guarantees provided to third party financial institutions in relation to franchisee loans. This is a contingent liability representing the amounts guaranteed in respect of franchisees that would not, without the guarantee, have been granted the loans. The directors believe that if the guarantees are ever called on, the Company will be able to recover the amounts paid upon disposal of the stores. Included in the above are contingent liabilities of the parent entity of $3,560 thousand.

ESTIMATES AND JUDGEMENTS

LEGAL AND REGULATORY MATTERS

The Group operates in a number of jurisdictions with different regulatory and legal requirements. Given this complexity, management is at times required to exercise judgement in evaluating compliance with relevant laws and regulations.

SPEED RABBIT PIZZA

There are various separate French legal proceedings by a competitor, Speed Rabbit Pizza (SRP) against subsidiary, Domino's Pizza France (DPF) (the main claim) and seven SRP franchisees against DPF and the relevant DPF franchisees (the local claims). The allegations are that DPF and its franchisees breached French laws governing payment time limitations and lending, thereby giving DPF and its franchisees an unfair competitive advantage. SRP claimed significant damages for impediment of the development of its franchise network, lost royalty income from SRP franchisees and harm to SRP's image. DPF and its franchisees have denied liability and are vigorously defending the claims. On 07 July 2014, the Court at first instance handed down its decision in the main claim, as well as in five of the local claims. All of the claims of SRP and the relevant SRP franchisees were dismissed. SRP filed an appeal to these decisions in the Court of Appeal, which dismissed SRP's appeal in the main claim on 25 October 2017 and the appeal of SRP and/or SRP franchisees in five local claims on 12 December 2018. SRP then filed an appeal from the decision in the main claim and in 2 local claims to the Cour de Cassation i.e. France's highest court. In the main claim, the Cour de Cassation handed down its judgement on 15 January 2020 which found errors of law in the Court of Appeal decision and set aside parts of the Court of Appeal's decision. On 20 December 2020, SRP filed a fresh appeal in the Court of Appeal and on 22 January 2021 provided DPF with a brief of evidence including new claims for compensation of €236 million. The referring appeal was heard on 05 January 2022. On 18 May 2022, the Court of Appeal issued a decision making no findings on the allegations and appointing an independent expert whose mission is to provide a report to

31 CONTINGENT LIABILITIES (continued)

inform the Court on the allegations. A first meeting with the expert took place on 12 July 2022 and a second on 12 May 2023. The expert is currently working on the report, with no known due date for the report.

In the two local claims appealed to the Cour de Cassation, judgements were handed down on 07 July 2020 and 30 September 2020 which found errors of law and cancelled the Court of Appeal decisions. SRP initiated the referring appeals of these two local cases in April 2022 before the Court of Appeal of Paris and filed its briefs in June 2022. DPF filed its briefs by mid-August 2022 and the hearings were held on 14 September 2022. On 23 November 2022, the Court of Appeal appointed an independent expert whose mission is to provide a report to inform the Court on the allegations. Two meetings took place on 13 February 2023 and 20 July 2023 with the expert. There is no known due date for the reports.

For the sixth local claim, the Court found in favour of DPF at first instance on 27 September 2016, and SRP filed an appeal from this decision to the Court of Appeal. On 30 January 2018, the Court of Appeal dismissed SRP's appeal. The two SRP franchisees then appealed to the Cour de Cassation which dismissed their appeal on 29 January 2020.

The seventh local claim was heard by the Commercial Court of Nanterre at first instance on 15 January 2021. On 12 April 2021, the First President of the Court of Appeal of Versailles handed down a decision transferring the case to the Commercial Court of Versailles, on the request of the President of the Commercial Court of Nanterre. The case was heard by the Commercial Court of Versailles on 09 December 2022. On 03 February 2023, the Court issued a decision ordering DPF to disclose documents and appointing an independent expert whose mission is to provide a report to inform the Court on the allegations. A first meeting took place on 19 June 2023 with the expert. Her report is due on 22 March 2024.

DPE denies all claims made and is vigorously defending the proceedings brought against it. DPE is confident of its legal position. Accordingly, no provision has been recognised as at 02 July 2023.

PIZZA SPRINT

In May 2016, proceedings were brought against Fra-Ma Pizz SAS and Pizza Center France SAS, the Pizza Sprint entities, by a number of former and current franchisees (Relevant Pizza Sprint Franchisees) whom allege a significant imbalance in the rights and obligations by the franchisor (Franchisees' Proceedings). The alleged practices predated the acquisition of Pizza Sprint by the Company, accordingly during the re-measurement period the Company has adjusted the purchase price accounting to recognise a contingent liability and asset in relation to the above matter. A number of the claims by the Relevant Pizza Sprint Franchisees have been settled on a commercial basis.

The French Ministry for the Economy and Finance (Ministry) also brought proceedings (Ministry Proceedings) involving the same facts against Fra-Ma Pizz SAS, Pizza Center France SAS and Domino's Pizza France SAS (collectively, DPF Companies). The Ministry Proceedings are being defended by the DPF Companies. The Relevant Pizza Sprint Franchisees sought to join the Franchisees' Proceedings to the Ministry Proceedings. The request was rejected by the court on 15 February 2018.

On 24 June 2019, the Franchisees' Proceedings and Ministry Proceedings were heard separately. On 22 October 2019, a decision was made in relation to the Ministry Proceedings which did not result in any fine or financial charges against any of the DPF Companies. The Ministry has appealed the decision and the Relevant Pizza Sprint Franchisees have also filed an appeal in support. The appeal has been heard on 15 September 2021 and the Appeal court handed down its decision on 05 January 2022. Fra-Ma Pizz, Pizza Center France and Domino's Pizza France were ordered to pay a €500k fine to the French Ministry for the Economy and Finance, €60k to six former Sprint franchisees and €20k in procedural costs. On 10 January 2022, Fra-Ma Pizz, Pizza Center France and Domino's Pizza France filed an appeal to the Cour de Cassation (French Supreme Court). On 24 June 2022, the Ministry filed a motion to dismiss Fra-Ma Pizz, Pizza Center France and Domino's Pizza France application alleging that the decision of the Appeal court had not been executed. The motion was rejected on 12 January 2023, meaning that the procedure on the merits has resumed; the date on which the decision will be handed down is not known yet.

Five decisions in the Franchisees' Proceedings were handed down on 03 December 2019 and the remaining four decisions were handed down on 31 January 2020. Fra-Ma Pizz SAS and Domino's Pizza France SAS were ordered to pay a total amount of €3 million to certain Relevant Pizza Sprint Franchisees. Various appeals have been filed by the DPF Companies, on the one hand, and separately by some of the Relevant Pizza Sprint Franchisees, on the other, with the Paris Court of Appeal. The appeals were heard on 23 November 2022.

On 08 February 2023, the Paris Court of Appeal issued decisions ordering the DPF Companies to pay a total amount of approximately €2.1 million to certain Relevant Pizza Sprint Franchisees, which has reduced the legal provision to nil and the remaining amount recognised in the profit and loss statement. The DPF Companies filed an appeal to the Cour de Cassation (French Supreme Court).

CLASS ACTION

On 24 June 2019, Riley Gall, as the lead applicant, commenced a representative proceeding (class action) against the Company in the Federal Court of Australia on behalf of an alleged group comprising some Australian franchisee employees who were employed as delivery drivers or in-store workers between 24 June 2013 and 23 January 2018.

The statement of claim alleges that the Company misled its franchisees who, in reliance on the Company's representations and conduct, paid their delivery drivers and in-store workers in accordance with a number of industrial instruments rather than under the Fast Food Industry Award 2010.

The Company rejects the allegations; it has defended the action vigorously and denies having any liability. Further, the Company does not believe it has a present obligation in respect of the class action. A defence denying the allegations was filed and an application to have the statement of claim (or parts thereof) struck out was heard on 09 June 2020. On 13 April 2021, the Federal Court dismissed that application, and at that time the parties were engaged in a referral before a Registrar of the Federal Court regarding discovery. As a result of that referral process the parties amended their pleadings which were filed in August and September 2021. The parties exchanged lay evidence between February and May 2022. Two separate mediations occurred in June and October 2022 respectively, without resolution of the proceeding.

The trial of Gall's claim was held before Justice Murphy in Melbourne over 12 days in November 2022. Judgment is currently reserved and is not expected to be delivered before late 2023 (calendar year).

The statement of claim does not quantify any loss by Gall or the alleged group. The expert evidence at trial concerned the quantum of Gall's claim and no other group members. As a result, at this stage of the proceeding it is not possible for the Company to determine with accuracy or reliability any potential obligation or financial impact arising from the alleged damages claimed by group members in the proceeding. The total alleged group member loss will be dealt with by the Court at a later hearing if Gall is successful at trial and on any final appeal.

GENERAL CONTINGENCIES

As a global business, from time to time DPE is also subject to various claims and litigation from third parties during the ordinary course of its business. The directors of DPE have considered such matters which are or may be subject to claims or litigation at 02 July 2023 and unless specific provisions have been made are of the opinion that no material contingent liability for such claims of litigation exist.

32 SUBSEQUENT EVENTS

OTHER EVENTS

On 23 August 2023 the directors declared a final dividend for the financial year ended 02 July 2023 as set out in note 20.

Other than the above, there has been no further matters or circumstances occurring subsequent to the end of the financial year that has significantly affected the operations of the Group, the results of those operations, or the state of affairs.

OTHER INFORMATION

33 RETIREMENT BENEFIT PLANS

RECOGNITION AND MEASUREMENT

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item employee benefits expense. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available.

ESTIMATES AND JUDGEMENTS

DISCOUNT RATE USED TO DETERMINE THE CARRYING AMOUNT OF THE GROUP'S DEFINED BENEFIT OBLIGATION

The Group's defined benefit obligation is discounted at a rate set by reference to market yields at the end of the reporting period on high quality corporate bonds. Significant judgement is required when setting the criteria for bonds to be included in the population from which the yield curve is derived. The most significant criteria considered for the selection of bonds include the issue size of the corporate bonds, quality of the bonds and the identification of outliers which are excluded.

DEFINED BENEFIT PLANS

The Group operates an unfunded retirement benefit plans where a lump-sum amount is paid out to eligible full-time employees of Domino's Pizza Japan and Domino's Pizza Taiwan with more than three years of service as of retirement.

The lump-sum amount is calculated as monthly salary as of retirement multiplied by a multiple. The multiple is based on years of service up to a maximum of 41 years and whether retirement is voluntary or involuntary.

The plan typically exposes the Group to actuarial risks such as: interest rate risk, retention risk and salary risk which impacts the plan as follows:

- Interest rate risk: A decrease in the bond interest rate will increase the plan liability by reducing the discount rate;
- Retention risk: The present value of the defined benefit plan liability is calculated by reference to the expected length of service of full-time staff. As such, an increase in the length of service above the expected length will increase the plan's liability; and
- Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 02 July 2023 by Mr. K. Taniguchi, Certified Pension Actuary.

Notes to the Financial Statements

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33 RETIREMENT BENEFIT PLANS (continued)

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	2023	2022
Discount rate	**0.53%**	0.68%
Expected rate of salary increase	**1.57%**	1.95%
Number of employees	**666**	743
Average service years	**4.8 yrs**	4.9 yrs
Expected service years	**6.4 yrs**	7.15 yrs

Amounts recognised in other comprehensive income in respect of these defined benefit plans are as follows:

	2023 $'000	2022 $'000
Service cost:		
Current service cost	**1,138**	1,062
Net interest expense	**38**	9
Components of defined benefit costs recognised in profit or loss	**1,176**	1,071
Remeasurement of the net defined benefit liability:		
Actuarial loss/(gain) recognised in the period	**364**	(532)
Components of defined benefit costs recognised in other comprehensive income	**364**	(532)
Total	**1,540**	539

Of the expense for the year, an amount of $1.2 million has been included in profit or loss as administration expenses. (2022: $1.0 million).

Movements in the present value of the defined benefit obligation in the current year were as follows:

	2023 $'000	2022 $'000
Opening defined benefit obligation	**7,281**	7,759
Acquisition of subsidiary	**–**	146
Current service cost	**1,138**	1,062
Net interest expense	**38**	9
Remeasurements (gains)/losses:		
Actuarial (gains) and losses arising from changes in financial assumptions	**364**	(532)
Benefits paid	**(565)**	(461)
Exchange differences of foreign plans	**(193)**	(702)
Closing defined benefit obligation	**8,063**	7,281

The Group expects to make a contribution of $1.3 million (2022: $1.4 million) to the defined benefit plans during the next financial year.

Notes to the Financial Statements
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34 KEY MANAGEMENT PERSONNEL COMPENSATION

	2023 $	2022 $
Short-term employee benefits	**5,828,893**	5,926,134
Post-employment benefits	**229,125**	247,269
Other long-term employee benefits	**107,011**	(100,467)
Equity settled share-based payments	**(537,525)**	419,759
Total	**5,627,504**	6,492,695

The remuneration of directors and key executives is determined by the Nomination, Culture and Remuneration Committee having regard to the performance of individuals and market trends.

During the year an independent remuneration consultant was engaged by the Nomination, Culture and Remuneration Committee to provide advice and guidance in relation to market practice and Domino's remuneration matters. No remuneration recommendation was sought from or provided by the remuneration consultant.

In order to ensure that the remuneration recommendation would be free from undue influence by members of the key management personnel to whom the recommendation relates to, the board has ensured that the remuneration consultant is not a related party to any member of the key management personnel. As such, the Board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates.

35 RELATED PARTY TRANSACTIONS

EQUITY INTEREST IN SUBSIDIARIES

Details of the percentage of ordinary shares held in subsidiaries are disclosed in note 27 to the financial statements.

EQUITY INTERESTS IN OTHER RELATED PARTIES

There are no equity interests in other related parties.

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

KEY MANAGEMENT PERSONNEL COMPENSATION

Details of key management personnel compensation are disclosed in note 34 to the financial statements.

LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans outstanding at any time during the financial year to key management personnel or to their related parties.

All executive share options issued to the directors and key management personnel were made in accordance with the provisions of the ESOP. Each share option converts on exercise to one ordinary share of Domino's Pizza Enterprises Limited. No amounts are paid or payable by the recipient on receipt of the option.

Further details of the ESOP are contained in note 22 to the financial statements.

OTHER TRANSACTIONS WITH DIRECTORS OF THE GROUP

During the year the Group engaged the services of Mr Michael Cowin, a related party of Mr Jack Cowin, as a Board Member of DPE Japan Co. Ltd. The services rendered were based on market rates for such services and were due and payable under normal payment terms. A total of $55,255 was paid or payable to Mr Michael Cowin during the year ended 02 July 2023.

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL OF DOMINO'S PIZZA ENTERPRISES LIMITED

Comgroup Supplies Pty Ltd, Comgroup NZ Limited T/A Franklin Foods, Markwell Pacific Marketing Pty Ltd, PMFresh Pty Ltd and Shore Mariner Ltd are entities associated with Mr Jack Cowin, supplies food products to the Group on commercial arm's length terms. The entities were selected as the preferred suppliers after competitive tender processes in which Mr Cowin had no involvement.

35 RELATED PARTY TRANSACTIONS (continued)

During the year the Group made purchases and had outstanding balances as at 02 July 2023 as follows:.

ENTITY	PURCHASES (EXCLUDING GST) 2023	PURCHASES (EXCLUDING GST) 2022	OUTSTANDING BALANCE 2023	OUTSTANDING BALANCE 2022
ComGroup Supplies Pty Ltd and ComGroup NZ Limited (T/A Franklin Foods)	**$27,051,267**	$22,813,184	**$7,320,806**	$4,343,934
Markwell Pacific Marketing Pty Ltd	**–**	$501,716	**–**	–
PMFresh Pty Ltd[(i)]	**–**	$1,356,936	**–**	–
Shore Mariner Ltd	**$237,860**	$795,995	**$55,034**	$37,807

(i) PM Fresh Pty Ltd ceased to be a related party on 01 April 2022 but was a supplier to DPE for the full financial year. The amounts in the table represent the purchases up to and including 31 March 2022.

In addition, the Group received sponsorship contributions for the Company's annual franchising rally to the value of $50,000 (2022: $55,000) from ComGroup Supplies Pty Ltd (excluding GST). There were no contributions in current period from PMFresh Pty Ltd (2022:$132,231) or Markwell Pacific Marketing Pty Ltd (2022:$500). The Group did not recognise any bad or doubtful debts associated with the above purchases and sponsorship contributions.

The Group and Competitive Foods Australia Pty Ltd (CFAL), an entity associated with Mr Jack Cowin, acquire television media services from unrelated third party service providers under a joint venture arrangement and receive volume pricing benefits. The Group does not receive or provide any other benefits to CFAL under the joint venture.

During the financial year, key management personnel and their related parties purchased goods, which were domestic or trivial in nature, from the Company on the same terms and conditions available to employees and customers.

TRANSACTIONS WITH OTHER RELATED PARTIES

Other related parties include:

- associates;
- directors of related parties and their director-related entities; and
- other related parties.

TRANSACTIONS WITHIN THE GROUP

The Group includes the ultimate parent entity of the Group and its controlled entities.

The wholly-owned Australian entities within the Group are taxed as a single entity effective from 01 July 2003. The entities in the tax-consolidated group have not entered into a tax sharing agreement or tax funding agreement. Income tax liabilities payable to the taxation authorities in respect of the tax-consolidated group are recognised in the financial statements of the parent entity. Refer to note 27 to the financial statements for members of the tax-consolidated group.

The Company provided accounting, marketing, legal and administration services to entities in the wholly-owned group during the financial year. The Company also paid costs on behalf of entities in the wholly-owned group and subsequently on-charged these amounts to them.

During the year the Company extended or had in place loans to Joint Venture partnerships of which the Group has a 50% interest. The balance of these loans as at 02 July 2023 is $6.5 million and interest is charged based on commercial rates and terms.

During the financial year, services were provided between entities in the Group in accordance with the relevant Service Agreements. All transaction were at arm's length.

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36 REMUNERATION OF AUDITORS

The auditor of Domino's Pizza Enterprises Limited is Deloitte Touche Tohmatsu.

GROUP AUDITOR [i]	**2023 $**	2022 $
Audit or review of financial reports:		
Audit of the parent company	**626,200**	563,500
Audit of subsidiaries and other entities	**1,160,290**	879,376
Total audit services	**1,786,490**	1,442,876
Other assurance and agreed-upon procedures under other legislation or contractual agreements [ii]	**–**	71,392
Total assurance services	**–**	71,392
Tax consulting services [iii]	**74,438**	116,400
Due diligence services	**–**	20,000
Other advisory services	**26,154**	24,890
Total other services	**100,592**	161,290
Total Group auditor's remuneration	**1,887,082**	1,675,558

(i) All amounts were paid to Deloitte Touche Tohmatsu by the Company and its subsidiaries. Fees are billed in local currencies and converted into AUD at average rates. The auditor of the parent entity is Deloitte Touche Tohmatsu Australia.

(ii) Other assurance services relate principally to the Domino's Franchisee monitoring and whistleblower services payable to the parent company auditor.

(iii) Taxation services relate to tax compliance services and tax advisory services paid to related overseas practices of the parent company auditor.

37 OTHER ITEMS

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

In the current year, the Group has applied a number of amendments to Australian accounting standards and new interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatorily effective for an accounting period that begins on or after 03 July 2022 and therefore relevant for the current year end.

STANDARDS AFFECTING PRESENTATION AND DISCLOSURE

AASB 2023-2 Amendments to AASs – International Tax Reform Pillar Two Model Rules

Effective for annual reporting periods beginning on or after 01 January 2023

In response to the Pillar Two Global anti-Base Erosion rules (GloBE Rules)3, amendments to AASB 112 introduce:

- A mandatory temporary exception in AASB 112 from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes
- Disclosure requirements for affected entities for the periods before and when the legislation is effective

The amendments are intended to provide temporary relief, avoid diverse interpretations of AASB 12 developing in practice and improve the information provided to users of financial statements before and after Pillar Two legislation comes into effect.

The amendments do not clarify whether a Pillar Two top-up tax is considered to be an income tax in the scope of AASB 12, nor do they require all top-up taxes to be treated as income taxes. Judgement must be applied in determining which top-up taxes are considered to be income taxes.

Earlier application of the amendments is permitted.

The Group is expected to be within the scope of Pillar Two top-up tax being implemented, (as it will apply to entities with revenues exceeding Euro 750 million, and the Group's revenue exceeds this threshold). The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The adoption of these amendments did not have any impact on the amounts recognised in prior periods. The Group is unable to assess what impact these amendments (if any) will have on future reporting periods.

Notes to the Financial Statements

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37 OTHER ITEMS (continued)

AASB 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 01 January 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendments did not have a material impact on the Group.

AASB 2020-3 Amendments to AASB 137 – Onerous Contracts – Cost of Fulfilling a Contract

AASB 137 Provisions, Contingent Liabilities and Contingent Assets defines an onerous contract as one in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Unavoidable cost is the lower of the cost of fulfilling the contract and any compensation or penalties arising from failure to fulfil it.

AASB 137 does not specify which costs to include in determining the cost of fulfilling a contract. Consequently, AASB 137 was amended to clarify that when assessing whether a contract is onerous, the cost of fulfilling the contract comprises all costs that relate directly to the contract, which includes both the:

- Incremental costs of fulfilling that contract (e.g., materials and labour).
- An allocation of other costs that relate directly to fulfilling contracts (e.g., depreciation of property, plant and equipment)

An entity shall apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Comparative information is not restated. Instead, the cumulative effect of initially applying the amendments is recognised as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are not expected to have a material impact on the Group.

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new accounting standards and interpretations have been published that are not mandatory for 02 July 2023 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below.

AASB 2014-10 Amendments to AASs – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in AASB 3 Business Combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. These amendments are applied prospectively.

Effective for annual reporting periods beginning on or after 01 January 2025.

The amendments are not expected to have a material impact on the Group.

AASB 2021-5 Amendments to AASs – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

AASB 112 Income Taxes requires entities to account for income tax consequences when economic transactions take place, rather than when income tax payments or recoveries are made. Accounting for such tax consequences, means entities need to consider the differences between tax rules and accounting standards.

Effective for annual reporting periods beginning on or after 01 January 2024.

The amendments are not expected to have a material impact on the Group.

Notes to the Financial Statements

continued

37 OTHER ITEMS (continued)

AASB 2021-2 Amendments to AASB 108 – Definition of Accounting Estimates

The amendments to AASB 108 clarify the definition of an accounting estimate, making it easier to differentiate it from an accounting policy. The distinction is necessary as their treatment and disclosure requirements are different. Critically, a change in an accounting estimate is applied prospectively whereas a change in an accounting policy is generally applied retrospectively.

The new definition provides that 'Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty.' The amendments explain that a change in an input or a measurement technique used to develop an accounting estimate is considered a change in an accounting estimate unless it is correcting a prior period error.

Effective for annual reporting periods beginning on or after 01 January 2023.

The amendments are not expected to have a material impact on the Group.

AASB 2022-6 Amendments to AASs – Non-current Liabilities with Covenant

A liability is classified as current if the entity has no right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. The AASB issued AASB 2020-1 Amendments to AASs – Classification of Liabilities as Current or Non-current to clarify the requirements for classifying liabilities as current or non-current specifically:

- The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists.
- Management intention or expectation does not affect the classification of liabilities.
- In cases where an instrument with a conversion option is classified as a liability, the transfer of equity instruments would constitute settlement of the liability for the purpose of classifying it as current or non-current.

A consequence of the first amendment is that a liability would be classified as current if its repayment conditions failed their test at reporting date, despite those conditions only becoming effective in the 12 months after the end of the reporting period.

In response to this possible outcome, in December 2022 the AASB issued AASB 2022-6 Amendments to AASs – Non-current Liabilities with Covenants:

- Clarifying that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current. Adding presentation and disclosure requirements for non-current liabilities subject to compliance with future covenants within the next 12 months.
- Clarifying specific situations in which an entity does not have a right to defer settlement for at least 12 months after the reporting date.

These amendments are applied retrospectively.

Effective for annual reporting periods beginning on or after 01 January 2023

The amendments are not expected to have a material impact on the Group.

ADDITIONAL SECURITIES EXCHANGE INFORMATION

NUMBER OF HOLDERS OF EQUITY SECURITIES AS AT 04 AUGUST 2023

ORDINARY SHARE CAPITAL

- 89,091,519 fully paid ordinary shares are held by 22,300 individual shareholders.
- All issued ordinary shares carry one vote per share, however partly paid shares do not carry the rights to dividends.

OPTIONS

- 1,466,793 options are held by 98 individual option holders.
- Options do not carry a right to vote.

Distribution of holders of equity securities

	NUMBER OF SHAREHOLDERS	% OF SHAREHOLDERS	NUMBER OF SHARES HELD	% OF ISSUED SHARES	NUMBER OF OPTION HOLDERS	% OF ISSUED OPTIONS
100,001 and over	29	0.13%	80,666,185	90.54%	9	0.39%
10,001 – 100,000	59	0.26%	1,612,306	1.81%	46	8.53%
5,001 – 10,000	94	0.42%	678,596	0.76%	27	54.99%
1,001 – 5,000	1,195	5.36%	2,358,490	2.65%	2	28.88%
1 – 1000	20,918	93.83%	3,775,942	4.24%	14	7.21%
	22,295	**100.00**	**89,091,519**	**100%**	**98**	**100%**

SUBSTANTIAL SHAREHOLDERS

	FULLY PAID		PARTLY PAID	
ORDINARY SHAREHOLDERS	NUMBER HELD	PERCENTAGE	NUMBER HELD	PERCENTAGE
SOMAD HOLDINGS PTY LTD	23,066,390	25.89%	–	–%
HYPERION ASSET MANAGEMENT LIMITED	7,103,148	7.97%	–	–%
CAPITAL RESEARCH GLOBAL INVESTORS	5,764,166	6.47%	–	–%
FIL INVESTMENT MANAGEMENT (AUSTRALIA) LIMITED	5,395,202	6.06%	–	–%
	41,328,906	**46.39%**	–	–%

Additional Securities Exchange Information

Number of Holders of Equity Securities as at 08 August 2022

TWENTY LARGEST HOLDERS OF QUOTED EQUITY SECURITIES

	FULLY PAID		PARTLY PAID	
ORDINARY SHAREHOLDERS	NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
SOMAD HOLDINGS PTY LTD	23,050,966	25.87%	–	–%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	19,689,170	22.10%	–	–%
CITICORP NOMINEES PTY LIMITED	12,196,915	13.69%	–	–%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	10,701,327	12.01%	–	–%
BNP PARIBAS NOMS PTY LTD	3,992,737	4.48%	–	–%
NATIONAL NOMINEES LIMITED	3,629,079	4.07%	–	–%
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD	955,614	1.07%	–	–%
MRS ESME FRANCESCA MEIJ	700,000	0.79%	–	–%
MR GRANT BRYCE BOURKE & MRS SANDRA EILEEN BOURKE	698,516	0.78%	–	–%
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	653,180	0.73%	–	–%
MR DONALD JEFFREY MEIJ	550,000	0.62%	–	–%
INVIA CUSTODIAN PTY LIMITED	486,087	0.55%	–	–%
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	440,000	0.49%	–	–%
MR GRANT BRYCE BOURKE	394,828	0.44%	–	–%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	382,942	0.43%	–	–%
BNP PARIBAS NOMS(NZ) LTD	255,179	0.29%	–	–%
NETWEALTH INVESTMENTS LIMITED	224,969	0.25%	–	–%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	210,999	0.24%	–	–%
MIRRABOOKA INVESTMENTS LIMITED	172,000	0.19%	–	–%
CITICORP NOMINEES PTY LIMITED	167,756	0.19%	–	–%
	79,552,264	**89.28%**	–	–%

UNMARKETABLE PARCELS

There were 1,283 members holding less than a marketable parcel of shares in the Company.

Glossary

ASIC means the Australian Securities & Investments Commission.

ASX means Australian Securities Exchange Limited (ABN 98 008 624 691).

Australian Store Network means the network of Corporate Stores and Franchised Stores located in Australia.

Board or **Board of Directors** or **Directors** means the Board of Directors of the Company.

CAGR means Compound Annual Growth Rate.

Capital Reduction means the selective reduction of capital described in Section 11.4 of the prospectus.

Company or **Consolidated entity** means Domino's Pizza Enterprises Limited (ACN 010 489 326).

Corporate Store means a Domino's Pizza store owned and operated by the Company.

Corporate Store Network means the network of Corporate Stores.

Corporations Act means the Corporations Act 2001 (Clth).

Directors means the Directors of the Company from time to time.

Director and Executive Share and Option Plan or **ESOP** means the Domino's Pizza Director and Executive Share and Option Plan summarised in note 23 to the financial statements.

Domino's means the Domino's Pizza brand and network, owned by Domino's Pizza, Inc.

Domino's Pizza means the Company and each of its subsidiaries.

Domino's Pizza Stores means Corporate Stores and Franchised Stores.

DPE Limited means Domino's Pizza Enterprises Limited (ACN 010 489 326)

Earnings Per Share or **EPS** means NPAT divided by the total number of Shares on issue.

EBIT means earnings before interest expense and tax.

EBITDA means earnings before interest expense, tax, depreciation and amortisation.

Franchised Store means a pizza store owned and operated by a Franchisee and Franchise Network means the network of Franchised Stores.

Franchisees means persons and entities who hold a franchise from the Company to operate a pizza store under the terms of a sub-franchise agreement.

Listing Rules means the Listing Rules of the ASX.

Network or **Domino's Pizza Network** or **Network Stores** means the network of Corporate Stores and Franchised Stores.

Network Sales means the total sales generated by the Network.

New Zealand Network means the network of Corporate Stores and Franchised Stores located in New Zealand.

NPAT means net profit after tax.

Related Bodies Corporate has the meaning given to it by section 50 of the Corporations Act.

Registry means Link Market Services Pty Limited.

Same Store Sales Growth means comparable growth in sales across Domino's stores that were in operation for at least 24 months prior to the date of the reporting period. Non-Domino's stores that have been acquired (e.g. Joey's, Pizza Sprint and Hallo) are included in the Same Store Sales Growth calculation upon conversion to Domino's for at least 12 months.

Share means any fully paid ordinary share in the capital of the Company.

Underlying EBITDA and **Underlying NPAT** excludes significant integration and legal dispute costs.

Corporate Directory

REGISTERED OFFICE & PRINCIPAL ADMINISTRATION OFFICE

Domino's Pizza Enterprises Ltd

ABN: 16 010 489 326
KSD1, L1
485 Kingsford Smith Drive
Hamilton
Brisbane QLD 4007
Telephone: +61 (7) 3633 3333

WEBSITE ADDRESS

dominos.com.au

AUDITORS

Deloitte Touche Tohmatsu

Level 23, Riverside Centre
123 Eagle Street
Brisbane QLD 4000

SECURITIES EXCHANGE

Domino's Pizza Enterprises Limited shares are listed in the Australian Securities Exchange under ASX code DMP

SHARE REGISTRY

Link Market Services Limited

Level 21
10 Eagle Street
Brisbane QLD 4000
Tel: 1300 554 474 (AUS)
Tel +61 (0) 2 8280 7111 (OS)

SECRETARY

Craig A Ryan BA LLB LLM AGIS

SOLICITORS

Thomson Geer Lawyers

Level 28, Waterfront Place
1 Eagle Street
Brisbane QLD 4000

DLA Piper

Level 9,
480 Queen Street
Brisbane QLD 4000