



Media Announcement – ASX

10 April 2019

## **DOMINO'S PIZZA ENTERPRISES ACQUIRES DOMINO'S PIZZA TERRITORY IN DENMARK**

### **Highlights**

- **Domino's Pizza Enterprises Limited ("DPE") has entered into a binding agreement to acquire the Master Franchise rights for Domino's Pizza in Denmark and assets formerly owned by Domino's Pizza Scandinavia A/S ("DPS")**
- **Represents an additional growth platform for DPE's European operations**
- **As a result of the acquisition, DPE is revising its future store count target in Europe from 2,700 to 2,850 stores**
- **Acquisitions of corporate store assets are expected to close progressively during April and May 2019**

### **Overview**

DPE today announces that it has executed an asset sale agreement to acquire corporate store assets and rights and entitlements in respect of franchise operations in Denmark previously owned by DPS for approximately €2.5 million. DPS ceased operations and entered administration in early March 2019.

Completion of each store asset package is conditional on lessor consents to the assignment of the relevant store lease. Completion is expected to occur progressively during April and May 2019.

Denmark has a population of approximately 5.7m. Denmark is complementary to DPE's existing portfolio of Domino's Pizza territories in Europe and represents an additional growth platform for its operations in Europe. DPE management have assessed Denmark as having a market potential of approximately 150 franchised and corporate stores.

DPE will enter Denmark pursuant to a Master Franchise Agreement with Domino's Pizza, Inc ("DPI") for up to 25 years (comprising an initial term of 15 years with an option to renew for a further 10 years). The transaction has received the full support of DPI.

DPE expects to restart operations in Denmark with approximately 20 stores within the next year. DPE will use its business know-how to carefully reinvigorate operations in Denmark which will be led by senior executives within DPE Europe who will relocate to Denmark.

Re-establishing operations will require additional investment in store equipment, IT systems and other central support. The impact on FY19 underlying earnings per share is not material. As a small territory initially, the Denmark business will take some time to contribute to earnings.



DPE continues to evaluate other acquisition opportunities globally.

**~ENDS**

Craig Ryan – Company Secretary

Flagstaff Partners acted as financial adviser to DPE. Thomson Geer Brisbane and DLA Piper Copenhagen acted as legal advisers. EY provided tax and accounting due diligence assistance.

For investor enquiries regarding the transaction, please contact:

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