

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



DPC Dash Ltd
达势股份有限公司

(incorporated in the British Virgin Islands with limited liability)
(Stock code: 1405)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024 AND UPDATE ON EXPECTED TIMELINE FOR USE OF PROCEEDS

The board (the “**Board**”) of directors (the “**Directors**”) of DPC Dash Ltd (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2024 (the “**Reporting Period**” or the “**2024 financial year**”). These annual results have been reviewed by the Company’s audit and risk committee, and the consolidated financial statements for the year ended December 31, 2024 have been audited by the Company’s auditors, PricewaterhouseCoopers (the “**Auditors**”), in accordance with International Standards on Auditing.

KEY HIGHLIGHTS

	Year ended December 31,		
	2024 (RMB'000)	2023 (RMB'000)	change (%)/ percentage points change
Revenue	4,314,093	3,050,715	41.4%
Store-level operating profit ⁽¹⁾	624,006	419,732	48.7%
Store-level operating profit margin ⁽²⁾	14.5%	13.8%	+0.7
Profit before income tax	99,605	2,275	4,278.2%
Profit/(Loss) for the year attributable to owners of the Company	55,195	(26,603)	N/A
Basic Profit/(Loss) per share (RMB)	0.42	(0.22)	N/A
Diluted Profit/(Loss) per share (RMB)	0.42	(0.22)	N/A
Non-IFRS Measures			
Store-level EBITDA ⁽³⁾	831,366	576,622	44.2%
Store-level EBITDA margin (%) ⁽⁴⁾	19.3%	18.9%	+0.4
Adjusted EBITDA ⁽⁵⁾	495,158	301,736	64.1%
Adjusted EBITDA margin (%) ⁽⁶⁾	11.5%	9.9%	+1.6
Adjusted Net Profit ⁽⁷⁾	131,160	8,778	1,394.2%

Notes:

- (1) Store-level operating profit represents revenue less operational costs incurred at the store level, comprising salary-based expense, raw materials and consumables cost, depreciation of right-of-use assets, depreciation of plant and equipment, amortization of intangible assets, variable lease rental payment and short-term rental expenses, utilities expenses, advertising and promotion expenses, store operating and maintenance expenses and other expenses.
- (2) Store-level operating profit margin is calculated by dividing store-level operating profit by revenue for the same year.
- (3) “Store-level EBITDA” is defined as store-level operating profit for the year and adding back depreciation of plant and equipment and amortization of intangible assets in store-level.
- (4) “Store-level EBITDA margin” is calculated by dividing Store-level EBITDA by revenue for the same year.
- (5) “Adjusted EBITDA” is defined as Adjusted Net Profit for the year and adding back depreciation and amortization (excluding depreciation of right-of-use assets), income tax expense and interest income and expenses, net.
- (6) “Adjusted EBITDA margin” is calculated by dividing Adjusted EBITDA by revenue for the same year.
- (7) “Adjusted Net Profit” is defined as profit for the year and adding back fair value change of financial liabilities at fair value through profit or loss, share-based compensation and listing expenses.

Non-IFRS Measures

To supplement the Group’s consolidated financial statements that are presented in accordance with the International Financial Reporting Standards (“**IFRS**”), we also use Adjusted Net Profit (non-IFRS measure), Adjusted EBITDA (non-IFRS measure), Adjusted EBITDA margin (non-IFRS measure), Store-level EBITDA (non-IFRS measure) and Store-level EBITDA margin (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, IFRS. We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company. We believe that these measures provide useful information to investors and others in understanding and evaluating our results of operations in the same manner as they help our management. However, our presentation of Adjusted Net Profit (non-IFRS measure), Adjusted EBITDA (non-IFRS measure), Adjusted EBITDA margin (non-IFRS measure), Store-level EBITDA (non-IFRS measure) and Store-level EBITDA margin (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

BUSINESS HIGHLIGHTS

We are pleased to announce the key operating metrics, as set forth below, in relation to the Group's business for the 2024 financial year (as compared with the six months ended June 30, 2024 and the year ended December 31, 2023 (the "2023 financial year")):

Store counts

	As of December 31, 2024	As of June 30, 2024	As of December 31, 2023
Beijing and Shanghai	371	363	351
New growth markets	637	551	417
Total	1,008	914	768

Number of cities entered

	As of December 31, 2024	As of June 30, 2024	As of December 31, 2023
Number of cities entered	39	33	29

Same-store Sales growth ("SSSG")⁽¹⁾

	Year ended December 31, 2024	Six months ended December 31, 2024	Six months ended June 30, 2024	Year ended December 31, 2023
SSSG	2.5%	1.6%	3.6%	8.9%

Loyalty membership numbers

	As of December 31, 2024	As of June 30, 2024	As of December 31, 2023
Loyalty membership numbers (million)	24.5	19.4	14.6

Note:

- (1) SSSG compares the sales generated by same stores during the relevant period year-on-year: the SSSG for the year ended December 31, 2024 compares the same-store sales of the year ended December 31, 2024 and that of the year ended December 31, 2023; the SSSG for the six months ended December 31, 2024 compares the same-store sales of the six months ended December 31, 2024 and that of the six months ended December 31, 2023; the SSSG for the six months ended June 30, 2024 compares the same-store sales of the six months ended June 30, 2024 and that of the six months ended June 30, 2023; and the SSSG for the year ended December 31, 2023 compares the same-store sales of the year ended December 31, 2023 and that of the year ended December 31, 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

We are Domino's Pizza's exclusive master franchisee in the Chinese mainland, the Hong Kong Special Administrative Region of China and the Macau Special Administrative Region of China. As of December 31, 2024, we directly operated 1,008 stores across 39 cities in the Chinese mainland. Our global franchisor, Domino's Pizza, Inc., is one of the world's largest pizza companies, with more than 21,300 stores in over 90 markets around the world as at the end of the Reporting Period.

Business Review for the Year Ended December 31, 2024

During the 2024 financial year, our business continued to grow at an outstanding pace. Our sales achieved, number of new stores opened and number of new cities entered all hit record high. Our reported net profit after tax also turned positive for the 2024 financial year.

We generated a total revenue of RMB4,314.1 million during the Reporting Period, representing a 41.4% year-over-year growth as compared with the revenue of RMB3,050.7 million during the 2023 financial year, largely attributed to our continued national store network expansion by adding 240 net new stores during the year, together with the strong sales generated at our new stores in new markets and the continued positive SSSG which we have delivered for 30 consecutive quarters since the third quarter of 2017.

In Shanghai and Beijing, which are our established markets with longest operation history, our total revenue grew 6.8% year-over-year from RMB1,545.1 million in 2023 to RMB1,649.6 million in 2024, as our existing stores continued to achieve positive SSSG, despite that only 20 net new stores were added to the established markets. The revenue generated from our new growth markets grew 77.0% year over year from RMB1,505.6 million in 2023 to RMB2,664.5 million in 2024, mainly as a result of (a) a total of 220 net new stores added in the new growth markets; (b) the strong performance achieved at the newly opened stores in new markets, and (c) a positive SSSG delivered by our existing stores in the new growth markets. The revenue contribution from new growth markets continued to increase over the year, from 49.4% in 2023 to 61.8% in 2024, making our new growth markets the main growth driver for our Company.

We continued our success in expanding in China by adding new stores in existing cities and expanding into new markets. During the Reporting Period, we had a net store opening of 240 stores, ending the year with 1,008 stores, of which 371 stores are located in Shanghai and Beijing, and 637 stores in our new growth markets. As of December 31, 2024, we have expanded our operations to 39 cities in China, having entered 10 new cities in 2024. We will continue our store opening strategy of "Going deeper" in existing markets and "Go broader" into new markets prudently to build up our national footprint and enhance Domino's Pizza brand name.

In 2024, we continue to observe strong performance in the new stores in our new growth markets, taking more top-ranking spots in the First-30-Day-Sales records within the Domino's Pizza global system. As of February 28, 2025, we have taken all of the global top 40 spots in such First-30-Day-Sales ranking, which also includes our achievement in continuously setting new global records. For example, our first store in Shenyang generated RMB11.1 million sales during its first 30 days operation, setting the latest global highest First-30-Day-Sales record. The Company's strong performance in the newly opened markets demonstrates the strength and popularity of the Domino's Pizza brand name in China, forming a solid base for our continued expansion in the country. Furthermore, we are taking more market share in China's pizza market. According to the latest market survey carried out by Frost & Sullivan, Domino's Pizza is ranked Top 2 in terms of 2024 pizza sales in China. The Chinese mainland market is now also ranked the third largest Domino's Pizza international market in terms of store count as of December 31, 2024. On March 3, 2025, the Company was awarded the Gold Franny Award for the seventh consecutive year, an award by Domino's Pizza, Inc. to its U.S. and international franchisees for exceptional operating results, store development and growth.

As we grow our store counts and gain market share, our new stores in the new growth markets are also delivering good and healthy cash payback results on increasingly stronger brand name, high quality execution of store opening and store operation. For example, we opened 80 new stores in 18 new cities during the period from the Christmas holiday season in December 2023 to the end of December 2024, of which the expected average payback period is approximately 12 months.

Our loyalty membership number increased from 14.6 million as of December 31, 2023 to 24.5 million as of December 31, 2024 as we continue our market expansion in China. Our revenue contributed by our loyalty members as a percentage of total revenue also increased from 59.2% in the 2023 financial year to 64.5% in the 2024 financial year. As we continue to expand, we see great opportunities in recruiting more members to our loyalty program and provide tailor-made member benefits to maintain and increase the stickiness of our customers.

We believe we will be able to continue to successfully roll out our Domino's Pizza stores into new cities in China and bring our products accessible to more customers in China and further strengthen our brand national awareness.

Built on the strong revenue, our operational efficiency has also improved at both store-level and corporate-level, leading to improved profitability performance at both store and corporate-level. Our Store-level EBITDA increased by 44.2% year-over-year from RMB576.6 million in the 2023 financial year to RMB831.4 million for the Reporting Period, and the Store-level EBITDA margin improved to 19.3% for the Reporting Period as compared with 18.9% for the 2023 financial year. Our store-level operating profit increased by 48.7% year-over-year from RMB419.7 million in the 2023 financial year to RMB624.0 million for the Reporting Period. The store-level operating profit margin improved to 14.5% for the Reporting Period as compared with 13.8% for the 2023 financial year. The Group's Adjusted EBITDA increased by 64.1% year-over-year from RMB301.7 million in the 2023 financial year to RMB495.2 million for the Reporting Period. Accordingly, our Adjusted Net Profit increased by 1,394.2% year-over-year from RMB8.8 million in the 2023 financial year to RMB131.2 million for the Reporting Period.

Business Outlook

We plan to open approximately 300 stores in 2025. Including the capital expenditure on the store remodelling, relocation and maintenance, the total capital expenditure associated with our store development is expected to be approximately RMB570 million which we plan to fund via our cash on hands (including the proceeds raised from our Global Offering (as defined in the prospectus of the Company dated March 16, 2023 (the “**Prospectus**”)) and cash generated from our operating activities.

From the beginning of 2025 to March 14, 2025, we have opened additional 82 stores, 26 stores under construction and 62 stores signed. We believe we are on track to deliver the 2025 full year opening target.

Looking forward, with further strengthened brand name and rising brand momentum, we will continue to execute our “Go-Deeper” and “Go-Broader” network expansion strategy, entering more new cities while further penetrating our existing markets. We would also look to further improve the cost efficiency as we continue to scale up and our stores continue to ramp up.

Events after the Reporting Period

There has been no material event that is required to be disclosed by the Company after the Reporting Period and up to the date of this announcement.

Financial Review

1. Revenue

Our revenue increased by 41.4% from RMB3,050.7 million for the 2023 financial year to RMB4,314.1 million for the 2024 financial year, mainly attributable to (a) the increase in our average daily sales per store and (b) the increased number of stores in operation during the respective financial years.

Our average daily sales per store increased by 4.3% from RMB12,580 for the 2023 financial year to RMB13,126 for the 2024 financial year, mainly driven by the increases in average daily orders per store, which grew from 145 for the 2023 financial year to 160 for the 2024 financial year, partially offset by a slight decrease in average sales value per order. The strong growth in the order volumes is not only driven by the growth in our existing market stores as we continue our penetration and brand strengthening, but also in particular by the strong performance of the new stores in the new growth markets we entered over the past 24 months, which demonstrates a strong brand momentum as we continue to expand our footprint to other major cities in China.

In the newly entered markets, our revenue was mainly generated from dine-in and carry out. The high dine-in and carry-out volumes in the stores of our newly entered markets have caused us to voluntarily suspend our delivery service temporarily. We will gradually open up the delivery service when the time is appropriate. In the context of this voluntary choice, as we speed up our store openings and entered more new cities, the percentage of delivery services decreased from 59.2% of total revenue for the 2023 financial year to 46.1% for the 2024 financial year. The overall lower delivery percentage also partly led to the decrease in average sales value per order from RMB86.8 in the 2023 financial year to RMB82.1 in the 2024 financial year.

The increase in revenue was coupled with an increasing number of stores in operation. We added 180 net new stores during 2023 financial year and brought the total store counts to 768 as of December 31, 2023, while we added 240 net new stores during 2024 financial year leading to a total store count of 1,008 as of December 31, 2024.

Underlying our revenue growth was our continued menu development, timely delivery, excellent product taste and improved brand recognition, which enabled us to achieve continued positive SSSG of 2.5% for the Group for the 2024 financial year, on top of 8.9% of SSSG for the 2023 financial year despite a challenging macro-economic and consumption environment.

The following table sets forth the average daily sales per store during the 2024 and 2023 financial years.

	Year ended December 31,	
	2024	2023
Average daily sales per store⁽¹⁾ (RMB)	13,126	12,580

Note:

- (1) Calculated by dividing the revenues generated from the relevant store for a particular period by the aggregate number of days of operation of such store during the same year.

2. Raw materials and consumables cost

For the 2024 financial year, the raw materials and consumables cost of the Group amounted to RMB1,169.8 million, representing an increase of RMB333.0 million or 39.8% as compared with RMB836.8 million for the 2023 financial year. The increase was primarily due to our revenue growth, which has increased our need for raw materials and consumables. As a percentage of revenue, our raw materials and consumables cost decreased from 27.4% in 2023 to 27.1% in 2024, mainly because we constantly control the procurement cost of raw materials and consumables.

3. *Staff compensation expenses*

For the 2024 financial year, the staff compensation expenses of the Group amounted to RMB1,509.5 million, representing an increase of RMB330.8 million or 28.1% as compared with RMB1,178.7 million for the 2023 financial year. The following table sets forth a breakdown of our staff compensation expenses at the store level and the corporate level for the years indicated.

	Year ended December 31,			
	2024		2023	
	<i>RMB'000</i>	<i>% of total revenue</i>	<i>RMB'000</i>	<i>% of total revenue</i>
Cash-based compensation expenses for store-level staff	1,188,028	27.5	819,591	26.9
Cash-based compensation expenses for corporate-level staff	245,490	5.7	223,821	7.3
Share-based compensation	75,965	1.8	135,269	4.4
Total staff compensation expenses	<u>1,509,483</u>	<u>35.0</u>	<u>1,178,681</u>	<u>38.6</u>

The increase of cash-based compensation expenses for store-level staff was primarily due to the increase in the number of our store level employees arising from the expansion of our store network and the increase of sales order volume. As a percentage of revenue, our cash-based compensation expenses for store-level staff increased from 26.9% for the 2023 financial year to 27.5% for the 2024 financial year primarily attributable to the increase in the average number of store-level employees per store. In the 2024 financial year, as we speed up our store openings in the recently entered new markets, we recruited more store-level staff for training in advance in order to better serve the customer and familiar with new markets. This leads to the increase in the average number of store-level staff per store.

The increase of cash-based compensation expenses for corporate-level staff was primarily due to (i) an increase in headcount to support our rapid expansion; and (ii) the merit-based increase in salary. As a percentage of revenue, our cash-based compensation expenses for corporate-level staff decreased from 7.3% for the 2023 financial year to 5.7% for the 2024 financial year primarily as our corporate-level staff accumulate more experience and become well-equipped to support the operations of a larger number of stores. The declining proportion of cash-based compensation expenses for corporate-level staff also reflects the continued benefit of scale of economy on cost efficiency at Group headquarter.

The decrease of share-based compensation was mainly driven by the decrease in share options granted and lower percentage portion of the granted option fair value charged to our income statement during the Reporting Period as compared to the 2023 financial year.

4. *Rental expenses*

Our rental expenses include depreciation of right-of-use assets and variable lease rental payment, short-term rental and other related expenses. The Group's depreciation of right-of-use assets represents the depreciation of capitalized lease incurred by long-term leased properties in accordance with IFRS 16. For the 2024 financial year, our rental expenses amounted to RMB428.2 million, representing an increase of RMB120.5 million or 39.2% as compared with RMB307.7 million for the 2023 financial year. The increase was primarily due to the expansion of our store network from a total of 768 store as of December 31, 2023 to a total of 1,008 stores as of December 31, 2024. Our rental expenses as a percentage of revenue decreased from 10.1% for the 2023 financial year to 9.9% for the 2024 financial year was primarily due to the strong growth of revenue and our continued efforts in rental cost control with the strengthened negotiating power on the enhanced brand recognition.

5. *Depreciation of plant and equipment*

For the 2024 financial year, the depreciation of plant and equipment of the Group amounted to RMB208.6 million, representing an increase of RMB49.4 million or 31.1% as compared with RMB159.2 million for the 2023 financial year. The increase was primarily due to increased equipment needs in conjunction with the expansion of our store network, resulting in the corresponding increase in depreciation expenses. Our depreciation of plant and equipment as a percentage of total revenue decreased from 5.2% for the 2023 financial year to 4.8% for the 2024 financial year mainly due to the strong growth of our revenue.

6. *Amortization of intangible assets*

For the 2024 financial year, the amortization of intangible assets of the Group amounted to RMB54.1 million, representing an increase of RMB3.0 million or 5.8% as compared with RMB51.1 million for the 2023 financial year. The increase was primarily driven by the acquisition of software and the addition in store franchise fees in line with the expansion of our store network. Our amortization of intangible assets as a percentage of total revenue decreased from 1.7% for the 2023 financial year to 1.3% for the 2024 financial year, primarily due to the strong growth of our revenue.

7. *Utilities expenses*

For the 2024 financial year, the utilities expenses of the Group amounted to RMB164.1 million, representing an increase of RMB49.3 million or 42.9% as compared with RMB114.8 million for the 2023 financial year. The increase was mainly attributable to the expansion of our store network and our revenue growth which demanded additional usage of utilities. Our utilities expenses as a percentage of total revenue remained relatively stable for the 2023 and 2024 financial years.

8. Advertising and promotion expenses

For the 2024 financial year, the advertising and promotion expenses of the Group amounted to RMB217.6 million, representing an increase of RMB58.4 million or 36.7% as compared with RMB159.2 million for the 2023 financial year. The increase was mainly driven by the spending in advertising and promotion to grow our revenue. Our advertising and promotion expenses as a percentage of total revenue decreased from 5.2% for the 2023 financial year to 5.0% for the 2024 financial year, mainly because our brand marketing activities was able to be more selected and cost-effective as our brand strengthens through the growth of our store network and remarkable performance in newly entered markets.

9. Store operation and maintenance expenses

For the 2024 financial year, the store operation and maintenance expenses of the Group amounted to RMB270.8 million, representing an increase of RMB81.9 million or 43.4% as compared with RMB188.9 million for the 2023 financial year. The increase was primarily due to the expansion of our store network. Our store operation and maintenance expenses as a percentage of total revenue remained relatively stable during the 2024 financial year as compared with the 2023 financial year.

10. Other expenses

Our other expenses consist of (a) telecommunication and information technology related expenses, (b) travelling and related expenses, (c) professional service expenses, (d) auditor's remuneration, and (e) others, including training fee, business meal, stamp duty tax and other office expenses.

For the 2024 financial year, the other expenses of the Group amounted to RMB137.7 million, representing an increase of RMB6.8 million or 5.2% as compared with RMB130.9 million for the 2023 financial year. The increase was primarily due to increase in travelling and related expenses, telecommunication and information technology related expenses and professional service expenses along with our network expansion, which was partially offset by RMB19.4 million decrease in listing expenses. Our other expenses as a percentage of total revenue decreased from 4.3% for the 2023 financial year to 3.2% for the 2024 financial year, primarily because no listing expense was incurred after the listing of the Company's shares (the "**Listing**") on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

11. Finance costs, net

For the 2024 financial year, the net finance costs of the Group amounted to RMB58.0 million, representing an increase of RMB3.4 million or 6.2% as compared with RMB54.6 million for the 2023 financial year. The increase was primarily due to a RMB9.2 million increase in interest expenses on lease liabilities recognized in accordance with IFRS 16 associated with our increasing number of leases as a result of the expansion of our store network, and was partially offset by a RMB6.4 million increase in interest income driven by our better management of bank deposits.

12. Fair value change of financial liabilities at fair value through profit or loss

Fair value changes of convertible senior ordinary shares for the 2023 and 2024 financial years were RMB119.3 million gain and nil, respectively. Upon the completion of Listing, all convertible senior ordinary shares were converted into ordinary shares.

13. Taxation

Income tax expense of the Group increased from RMB28.9 million for the 2023 financial year to RMB44.4 million for the 2024 financial year.

14. Profit/(Loss) for the Reporting Period

As a result of the foregoing, the Group recorded a net profit of RMB55.2 million for the 2024 financial year, as compared to a net loss of RMB26.6 million for the 2023 financial year.

15. Non-IFRS Measures — Adjusted Net Profit, Adjusted EBITDA and Adjusted EBITDA margin, Store-level EBITDA and Store-level EBITDA margin

To supplement the Group's consolidated financial statements that are presented in accordance with the IFRS, we also use Adjusted Net Profit (non-IFRS measure), Adjusted EBITDA (non-IFRS measure), Adjusted EBITDA margin (non-IFRS measure), Store-level EBITDA (non-IFRS measure) and Store-level EBITDA margin (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, IFRS. We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company. We believe that these measures provide useful information to investors and others in understanding and evaluating our results of operations in the same manner as they help our management. However, our presentation of Adjusted Net Profit (non-IFRS measure), Adjusted EBITDA (non-IFRS measure), Adjusted EBITDA margin (non-IFRS measure), Store-level EBITDA (non-IFRS measure) and Store-level EBITDA margin (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

“Store-level EBITDA” is defined as store-level operating profit for the year and adding back depreciation of plant and equipment and amortization of intangible assets in store-level.

“Store-level EBITDA margin” is calculated by dividing Store-level EBITDA by revenue for the same year.

“Adjusted Net Profit” is defined as profit for the year and adding back fair value change of financial liabilities at fair value through profit or loss, share-based compensation and listing expenses.

“Adjusted EBITDA” is defined as Adjusted Net Profit for the year and adding back depreciation and amortization (excluding depreciation of right-of-use assets), income tax expense and interest income and expenses, net.

“Adjusted EBITDA margin” is calculated by dividing Adjusted EBITDA by revenue for the same year.

The following table sets forth the reconciliation of our non-IFRS financial measures for the 2024 and 2023 financial years to the nearest measure prepared in accordance with IFRS.

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Reconciliation of net profit/(loss) and Adjusted Net Profit and Adjusted EBITDA		
Profit/(Loss) for the year	55,195	(26,603)
Add:		
Fair value change of financial liabilities at fair value through profit or loss	–	(119,331)
Share-based compensation		
– Directors' compensation, stock appreciation rights, restricted share units, share options and IPO bonus	75,965	135,269
Listing expenses	–	19,443
Adjusted Net Profit	131,160	8,778
Add:		
Depreciation and amortization (excluding depreciation of right-of-use assets)	262,747	210,321
Income tax expenses	44,410	28,878
Interest income and expenses, net	56,841	53,759
Adjusted EBITDA	495,158	301,736
Adjusted EBITDA margin	11.5%	9.9%
	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Reconciliation of store-level operating profit and Store-level EBITDA		
Store-level operating profit	624,006	419,732
Add:		
Depreciation of plant and equipment – store level ⁽¹⁾	204,709	155,028
Amortization of intangible assets – store level ⁽²⁾	2,651	1,862
Store-level EBITDA	831,366	576,622
Store-level EBITDA margin	19.3%	18.9%

Notes:

- (1) Depreciation of plant and equipment – store level is calculated based on depreciation of plant and equipment incurred at our stores and central kitchens.
- (2) Amortization of intangible assets – store level is calculated based on amortization of store franchise fees.

16. *Liquidity and Source of Funding and Borrowing*

As at December 31, 2024, the Group's cash and bank balances increased by 4.9% from RMB1,019.2 million as at December 31, 2023 to RMB1,069.3 million, among which the Group had cash and cash equivalents of RMB1,069.1 million (December 31, 2023: RMB587.0 million), short-term time deposits with original maturities over three months of nil (December 31, 2023: RMB431.9 million) and restricted cash of RMB0.2 million (December 31, 2023: RMB0.3 million). The increase was primarily resulted from the cash inflow generated from operating activities, partially offset by the cash outflow in investing activities and principal and interest payment of lease liabilities.

As at December 31, 2024, the Group had total cash and bank balances of RMB1,069.3 million (December 31, 2023: RMB1,019.2 million), among which RMB36.5 million (December 31, 2023: RMB29.9 million) were denominated in Hong Kong dollar, RMB766.9 million (December 31, 2023: RMB741.5 million) were denominated in RMB and RMB265.9 million (December 31, 2023: RMB247.8 million) were denominated in US dollar.

Our net cash generated in operating activities was RMB818.4 million for the 2024 financial year, as compared to the net cash inflow of RMB536.1 million for the 2023 financial year.

As at December 31, 2024, the current assets of the Group amounted to RMB1,368.6 million, including RMB1,069.3 million in cash and bank balances and RMB299.3 million in other current assets. The current liabilities of the Group amounted to RMB1,517.0 million, of which RMB676.1 million was accruals and other payables, RMB289.2 million was lease liabilities, RMB248.6 million was trade payables, RMB200.0 million was short-term borrowings and RMB103.1 million was other current liabilities. As at December 31, 2024, the current ratio of the Group, which is equivalent to the current assets divided by the current liabilities, was 0.9 (December 31, 2023: 1.19). The decrease in current ratio was mainly due to the classification of RMB200.0 million non-current borrowings into current borrowings.

As at December 31, 2024, the Group's total borrowings were RMB200.0 million (December 31, 2023: RMB200.0 million), out of which RMB100.0 million should be repayable on March 28, 2025 and the remaining RMB100.0 million should be repayable on December 7, 2025. The borrowings were all denominated in RMB and fully guaranteed by a subsidiary of the Group. As at December 31, 2024, all the bank borrowings bear interests at a floating interest rate. We plan to repay the RMB100.0 million bank loan that will mature on 28 March 2025. The Group had unutilized available credit banking facilities of RMB300.0 million as of December 31 2024, which we will be able to draw down to support our working capital requirements as needed.

Taking into account the financial resources available to the Group, including cash and cash equivalents, cash generated from operations and available credit banking facilities of the Group, the Directors are of the view that the Group has sufficient working capital required for the Group's operations at present.

During the Reporting Period, the Group did not have any use of financial instruments for hedging purposes or any material foreign currency net investments that may require hedging.

17. Treasury policy

The Group adopts a prudent financial management approach for its treasury policy to ensure that the Group's liquidity structure, comprising assets, liabilities and other commitments, is able to always meet its capital requirements.

18. Gearing Ratio

As at December 31, 2024, the gearing ratio of the Group, which was calculated as total interest-bearing bank loans divided by total equity, was approximately 8.9%, representing a decrease of 0.6 percentage points as compared with 9.5% as at December 31, 2023. The decrease was primarily due to the improved profitability performance of the Group and therefore an enhanced level of total equity.

19. Significant Investments

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of December 31, 2024) during the 2024 financial year.

20. Material Acquisitions and Disposals

The Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures during the 2024 financial year.

21. Pledge of Assets

As at December 31, 2024, the Group had no pledge of assets.

22. Contingent Liabilities

The Group had no contingent liabilities as at December 31, 2024.

23. Foreign Exchange Exposure

During the 2024 financial year, the Group mainly operated in China and the majority of the transactions were settled in Renminbi ("RMB"), the Company's primary subsidiaries' functional currency. As at December 31, 2024, except for the bank deposits denominated in foreign currencies, the Group did not have significant foreign currency exposure from its operations. During the 2024 financial year, the Group has not entered into any derivative instruments to hedge its foreign exchange exposures, but will closely monitor the exposure and will take measures when necessary to make sure the foreign exchange risks are manageable.

24. Employee and Remuneration Policy

As at December 31, 2024, the Group had 9,160 full-time employees (December 31, 2023: 6,536). Substantially all of our employees are based in China, primarily in Beijing, Shanghai, Guangzhou, Shenzhen and other cities in which we have operations. The following table sets forth the numbers of our full-time employees categorized by function as at December 31, 2024:

Function	Number of employees	% of total
Store development and operation ⁽¹⁾	8,738	95.4%
Sales, marketing and product development	44	0.5%
Supply chain, central kitchens and quality control	214	2.3%
General administration and others	164	1.8%
Total	9,160	100.0%

Note:

- (1) Comprises (i) full-time store development and operation employees at the corporate level and (ii) full-time employees at our stores who also act as delivery riders when needed.

Besides our full-time employees, we also had a total of 19,640 part-time employees as at December 31, 2024 (December 31, 2023: 15,635). These part-time employees primarily work as riders and in-store assistants.

For the 2024 financial year, the Group has incurred a total staff cost (inclusive of Directors' remuneration, salaries, wages, allowance and benefits and share based compensations) of RMB1,509.5 million (2023: RMB1,178.7 million).

During the 2024 financial year, the Group did not experience any significant labour disputes or any difficulty in recruiting employees.

We believe in the importance of attraction, recruitment and retention of quality talents in achieving the Group's success. We seek to offer attractive remuneration to employees, who earn both a basic salary and discretionary bonuses. For store management teams, their discretionary bonus is tied to the performance of the store. For riders, we provide incentive bonuses that are payable for, among others, the numbers of orders delivered and working during peak hours or in poor weather. Our riders are covered by group commercial insurance, which insures our riders for personal injuries and additional medical care to help protect against the risk of personal injuries. On January 14, 2025, the Company was recognized as a 2024 Best Employer by Mercer, marking the third consecutive year that the Company has received this prestigious award.

Our training department oversees the training of our employees. We provide all of our restaurant employees, including store management teams, store assistants, with consistent, systematic training to ensure that through the training employees have the operational, management and business skills needed to meet our safety standards and deliver outstanding customer service.

In addition, we conduct standardized training with our riders, and distribute to our delivery riders a Delivery Safety Work Manual before they take the first trips. We also provide our riders with training to help them navigate urban traffic and make deliveries safely.

Compensation for key executives of the Group is determined by the Company's remuneration committee which reviews and recommends to the Board the executives' compensation based on the Group's performance and the executives' respective contributions to the Group. The Company has also adopted various equity-based incentive plans and cash-based incentive plans. Please refer to the section headed "Share Incentive Plans" in the 2023 annual report of the Company dated April 29, 2024.

25. Future Plans for Material Investments and Capital Assets

As of December 31, 2024, save as disclosed in this announcement under the heading "Management Discussion and Analysis – Business Outlook", the Group did not have other future plans for material investments and capital assets.

FINAL DIVIDEND

The Board did not recommend the distribution of a final dividend for the 2024 financial year.

ANNUAL GENERAL MEETING AND CLOSURE OF THE REGISTER OF MEMBERS

The Company's annual general meeting (the "AGM") will be held on May 29, 2025 (Thursday). The record date for determining the eligibility of the shareholders of the Company (the "Shareholders") to attend and vote at the AGM is May 29, 2025 (Thursday). The register of members of the Company will be closed from May 22, 2025 (Thursday) to May 29, 2025 (Thursday), both days inclusive, during which period no share transfers will be registered. To be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on May 21, 2025 (Wednesday).

A circular of the Company together with a notice of convening the AGM will be published and dispatched to the Shareholders in the manner required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") in due course.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of the Shareholders and to enhance corporate value and accountability.

Compliance with the Code on Corporate Governance Practices

The Company has adopted the principles and code provisions of the Corporate Governance Code (the "CG Code") as set out in Part 2 of the Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices.

The Company had complied with all applicable code provisions of the CG Code throughout the Reporting period, saved for a deviation of the code provision C.1.6, in which Mr. David Brian BARR, an independent non-executive Director, was unable to attend the annual general meeting of the Company held on May 29, 2024 due to a surgery.

Further information of the corporate governance practice of the Company will be disclosed in the annual report of the Company for the year ended December 31, 2024. The Board is aware that the Company should comply with the CG Code. Any deviation from the CG Code should be carefully considered. The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code and maintain a high standard of corporate governance practices of the Company.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own securities dealing code to regulate all dealings by Directors and relevant employees of securities in the Company and other matters covered by the Model Code.

Specific enquiry has been made of all the Directors and the relevant employees and they have confirmed that they have complied with the Model Code during the Reporting Period. No incident of non-compliance of the Model Code was noted by the Company during the Reporting Period.

Scope of Work of the Company’s Auditors

The figures contained in this announcement of the Group’s consolidated results for the year ended December 31, 2024 have been agreed by the Auditors to the figures set out in the audited consolidated financial statements of the Group for the year ended December 31, 2024. The Auditors performed this work in accordance with the Hong Kong Standard on Related Services (HKSRs) 4400 (Revised) “Agreed-upon Procedures Engagements” and with reference to Practice Note 730 (Revised) “Guidance for Auditors Regarding Preliminary Announcements of Annual Results” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). The work performed by the Auditors in this respect does not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements, or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by the Auditors on this announcement.

Audit and Risk Committee

The Company has established an audit and risk committee with written terms of reference in accordance with the Listing Rules. The audit and risk committee comprises two non-executive Directors and three independent non-executive Directors, namely, Mr. Zohar Ziv, Mr. Matthew James Ridgwell, Mr. David Brian Barr, Ms. Lihong Wang and Ms. Bin Yu. Ms. Bin Yu is the chairperson of the audit and risk committee.

The audit and risk committee has reviewed the audited consolidated financial statements of the Group for the Reporting Period and has met with the Auditors, who have audited the consolidated financial statements in accordance with International Standards on Auditing. The audit and risk committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members of the Group.

Other Board Committees

In addition to the audit and risk committee, the Company has also established a nomination committee and a remuneration committee.

Purchase, Sale or Redemption of the Company's Listed Securities

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities (including any sale of treasury shares) listed on the Stock Exchange. As of December 31, 2024, the Company did not hold any treasury shares.

Material Litigation

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Reporting Period.

Use of Proceeds and Update on Expected Timeline for Use of Proceeds

The Company's shares were listed on the Main Board of the Stock Exchange on March 28, 2023 and the net proceeds raised during the Global Offering were approximately HK\$499.9 million (including the additional proceeds received upon the partial exercise of the Over-allotment Option (as defined in the Prospectus)) (equivalent to approximately RMB437.8 million).

As of December 31, 2024, HK\$156.2 million of the net proceeds of the completion of the Global Offering had been utilized and HK\$343.7 million remained unutilized. In the Prospectus, it was disclosed that we intended to use approximately 90% of the net proceeds from the Global Offering to expand our store network over 2023 and 2024, and the remaining approximately 10% for general corporate purposes. There is no change in the intended use of net proceeds as disclosed in the Prospectus except that, in respect of using approximately 90% of the net proceeds to expand our store network, we intend to use the said amount over 2024 and 2025 instead of over 2023 and 2024. This is because we funded our capital expenditures, mainly in our store expansion, firstly via the capital we raised before the Global Offering and the cash we generated from our operating activities. Further, after taking into account of the cash inflows expected to be generated from our operating activities, the Board has resolved to extend the expected timeline for the use of the net proceeds from the end of 2025 to the end of 2026.

The following table sets forth a summary of the utilisation of the net proceeds as of December 31, 2024 and the updated expected timeline of the use of the net proceeds:

	% of use of net proceeds	Net proceeds (HK\$ million)	Unutilized amount as of January 1, 2024 (HK\$ million)	Utilization during the Reporting Period (HK\$ million)	Unutilized amount as of December 31, 2024 (HK\$ million)	Updated expected timeline of full utilization of the unutilized net proceeds
Expanding our store network	90%	450.0	450.0	112.4	337.6	By December 31, 2026
General corporate purposes	10%	49.9	49.9	43.8	6.1	By December 31, 2026
Total	<u>100%</u>	<u>499.9</u>	<u>499.9</u>	<u>156.2</u>	<u>343.7</u>	

The unutilized net proceeds from the Global Offering were deposited with licensed banks or financial institutions in Hong Kong for short-term deposits.

The updated expected timeline for full utilisation of the net proceeds is based on the Company's current business plans and best estimation of future market conditions, and thus might be subject to further changes. The Board considers that the extension of the expected timeline for full utilisation of the net proceeds will not have any material adverse impact on the existing business and operation of the Group and is in the best interest of the Company and its shareholders as a whole.

Save as disclosed in this announcement, there are no other changes to the intended use of net proceeds as disclosed in the Prospectus.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended December 31	
		2024 RMB'000	2023 RMB'000
Revenue	3	4,314,093	3,050,715
Raw materials and consumables cost		(1,169,799)	(836,796)
Staff compensation expenses	5	(1,509,483)	(1,178,681)
Depreciation of right-of-use assets		(307,139)	(236,855)
Depreciation of plant and equipment		(208,643)	(159,196)
Amortization of intangible assets		(54,104)	(51,125)
Utilities expenses		(164,104)	(114,823)
Advertising and promotion expenses		(217,623)	(159,214)
Store operation and maintenance expenses		(270,833)	(188,892)
Variable lease rental payment, short-term rental and other related expenses		(121,035)	(70,843)
Other expenses	4	(137,721)	(130,907)
Fair value change of financial liabilities at fair value through profit or loss		–	119,331
Other income		14,560	34,015
Other losses, net		(10,589)	(19,809)
Finance costs, net	6	(57,975)	(54,645)
Profit before income tax		99,605	2,275
Income tax expense	7	(44,410)	(28,878)
Profit/(loss) for the year attributable to equity holders of the Company		55,195	(26,603)
Other comprehensive income:			
<i>Item that may be subsequently reclassified to profit or loss</i>			
Currency translation differences		(4,670)	(6,047)
<i>Item that may not be subsequently reclassified to profit or loss</i>			
Currency translation differences		13,583	33,860
Other comprehensive income for the year, net of tax		8,913	27,813
Total comprehensive income for the year attributable to equity holders of the Company		64,108	1,210
Earnings/(loss) per share for profit/(loss) attributable to equity holders of the Company			
– Basic earnings/(loss) per share (RMB)	8	0.42	(0.22)
– Diluted earnings/(loss) per share (RMB)		0.42	(0.22)

CONSOLIDATED BALANCE SHEET

		As at December 31	
	Note	2024	2023
		RMB'000	RMB'000
ASSETS			
Non-current assets			
Plant and equipment		807,812	625,547
Right-of-use assets		1,305,383	967,277
Intangible assets		1,211,213	1,228,638
Deposits		74,822	56,320
Deferred income tax assets		108,336	52,972
		<u>3,507,566</u>	<u>2,930,754</u>
Current assets			
Inventories		114,551	73,331
Trade receivables	10	12,962	9,752
Prepayment, deposits and other receivables		171,745	112,675
Cash and bank balances		1,069,302	1,019,243
		<u>1,368,560</u>	<u>1,215,001</u>
Total assets		<u>4,876,126</u>	<u>4,145,755</u>
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		882,537	879,043
Share premium		2,278,503	2,254,958
Other reserves		150,240	89,110
Accumulated losses		(1,067,054)	(1,122,249)
Shares held for restricted share units (“RSUs”)		(994)	(1,731)
Total equity		<u>2,243,232</u>	<u>2,099,131</u>

		As at December 31	
	<i>Note</i>	2024	2023
		RMB'000	RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings		–	200,000
Lease liabilities		1,078,957	808,780
Other payables	<i>12</i>	36,939	20,757
		<u>1,115,896</u>	<u>1,029,537</u>
Current liabilities			
Borrowings		200,000	–
Lease liabilities		289,221	229,399
Trade payables	<i>11</i>	248,645	153,904
Contract liabilities	<i>3(a)</i>	63,010	44,911
Accruals and other payables	<i>12</i>	676,051	571,107
Current income tax liabilities		40,071	17,766
		<u>1,516,998</u>	<u>1,017,087</u>
Total liabilities		<u>2,632,894</u>	<u>2,046,624</u>
Total equity and liabilities		<u>4,876,126</u>	<u>4,145,755</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

	<i>Note</i>	Year ended December 31	
		2024	2023
		<i>RMB'000</i>	<i>RMB'000</i>
Cash flows from operating activities			
Cash generated from operations		895,890	579,635
Income tax paid		(77,469)	(43,549)
Net cash generated from operating activities		<u>818,421</u>	<u>536,086</u>
Cash flows from investing activities			
Purchase of plant and equipment		(373,163)	(287,623)
Purchase of intangible assets		(43,082)	(28,580)
Interest received		25,288	12,273
Proceeds from disposal of plant and equipment		127	–
Decrease/(increase) in short-term time deposits with original maturities over three months		432,444	(428,191)
Net cash generated from/(used in) investing activities		<u>41,614</u>	<u>(732,121)</u>
Cash flows from financing activities			
Rental deposit payment		(24,608)	(20,613)
Payment of principal element of lease liabilities		(285,213)	(218,129)
Payment of interest element of lease liabilities		(68,092)	(58,921)
Interests paid		(9,318)	(9,680)
Payment of listing expense		–	(24,501)
Proceeds from issuance of ordinary shares		–	548,921
Proceeds from exercise of share options		5,225	–
Net cash (used in)/generated from financing activities		<u>(382,006)</u>	<u>217,077</u>
Net increase in cash and cash equivalents		478,029	21,042
Cash and cash equivalents at beginning of year		587,038	544,247
Exchange difference on cash and cash equivalents		4,035	21,749
Cash and cash equivalents at end of year		1,069,102	587,038
Cash at bank and in hand at end of year		1,069,302	1,019,243
Less: Short-term time deposits with original maturities over three months and restricted cash at end of year		(200)	(432,205)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

DPC Dash Ltd (the “**Company**”) is a limited liability company incorporated in British Virgin Islands on April 30, 2008. The address of its registered office is Kingston Chambers, P.O.Box 173 Road Town, Tortola, British Virgin Islands.

The Company, an investment holding company, and its subsidiaries (collectively, the “**Group**”) are principally engaged in the operation of fast food restaurant chains in the People’s Republic of China (the “**PRC**”).

Dash DPZ China Limited (“**DPZ China**”), a wholly owned subsidiary of the Group, held 100% equity interests in Pizzavest China Ltd., which was Domino’s Pizza’s master franchisee in the Chinese mainland, the Hong Kong Special Administrative Region of China and the Macau Special Administrative Region of China.

The master franchise agreement with Domino’s Pizza International Franchising Inc. (“**DPIF**”) provides the Group with the exclusive right to develop and operate Domino’s Pizza stores and to use and license Domino’s system and the associated trademarks in the operation of the pizza stores in the Chinese mainland, the Hong Kong Special Administrative Region of China and the Macau Special Administrative Region of China. The term of the master franchise agreement continues until June 1, 2027 and is renewable for two additional 10-year terms, subject to the fulfilment of certain conditions.

The Company’s shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Listing**”) since March 28, 2023.

The consolidated financial statements are presented in thousands of Renminbi (“**RMB’000**”) unless otherwise stated. The consolidated financial statements have been approved for issue by the Board of Directors on March 27, 2025.

2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards (“**IFRS**”) and interpretations issued by IFRS Interpretations Committee (“**IFRSIC**”) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (“**IASB**”) and the disclosure requirements of Hong Kong Companies Ordinance Cap. 622.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial liabilities at fair value through profit or loss which are carried at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

(a) New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies as a result of adopting these standards.

		Effective for annual periods beginning on or after
IAS 1 (Amendments)	Non-current Liabilities with Covenants	January 1, 2024
IAS 1 (Amendments)	Classification of Liabilities as Current or Non-current	January 1, 2024
IFRS 16 (Amendments)	Leases Liability in a Sale and Leaseback	January 1, 2024
IAS 7 and IFRS 7 (Amendments)	Supplier Finance Arrangements	January 1, 2024

(b) New standards and amendments to standards and interpretations not yet adopted

The following new standards, new interpretations and amendments to standards and interpretations have been issued but are not effective for the financial year beginning January 1, 2024 and have not been early adopted by the Group in preparing these consolidated financial statements.

		Effective for annual periods beginning on or after
IAS 21 (Amendments)	Lack of Exchangeability	January 1, 2025
IFRS 9 and IFRS 7 (Amendments)	Amendment to the Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027

The Group has already commenced an assessment of the impact of these new or amended standards. According to the preliminary assessment made by the directors of the Company (the “**Directors**”), no significant impact on the financial performance and position of the Group is expected when they become effective.

(c) Going concern

As at December 31, 2024, the Group recorded net current liabilities of approximately RMB148,438,000 and the Group had net profit of approximately RMB55,195,000 for the year ended December 31, 2024. During the year ended December 31, 2024, the Group has generated net cash inflow from operating activities of approximately RMB818,421,000.

Despite the Group's net current liability position as of December 31, 2024, the Directors have assessed the Group's ability to continue as a going concern. Taking into account the financial resources available to the Group, including cash and cash equivalents, cash generated from operations and available credit banking facilities of the Group, the Directors believe that the Group has sufficient funds to meet its liabilities and continue its operations for at least twelve months from December 31, 2024.

Accordingly, the consolidated financial statements for the year ended December 31, 2024 have been prepared on the basis that the Group will continue as a going concern.

3 Revenue and segment information

The Group is the exclusive master franchisee of Domino's Pizza in the Chinese mainland, the Hong Kong Special Administrative Region of China and the Macau Special Administrative Region of China.

The chief operating decision-maker ("CODM") has been identified as the directors of the Company. The directors review the Group's internal reporting in order to assess performance and allocate resources. The directors have determined the operating segment based on these internal reports.

The directors consider the Group's operation from a business perspective and determine that the Group is managed as one single reportable operating segment.

During the year ended December 31, 2024, all the Group's revenue are generated from the Chinese mainland.

	Year ended December 31	
	2024	2023
	RMB'000	RMB'000
Revenue from sales of goods and services recognized – at a point in time	<u>4,314,093</u>	<u>3,050,715</u>

(a) Contract liabilities

The Group has recognized the following revenue-related contract liabilities:

	As at December 31	
	2024	2023
	RMB'000	RMB'000
Contract liabilities	<u>63,010</u>	<u>44,911</u>

(i) Revenue recognized in relation to contract liabilities

	Year ended December 31	
	2024	2023
	RMB'000	RMB'000
Revenue recognized that was included in the balance of contract liabilities at the beginning of the year	<u>44,802</u>	<u>31,037</u>

Each order with customers is considered as a contract. All contracts entered by the Group are for periods of one year or less. The Group has applied the practical expedient as permitted by IFRS 15 and the transaction price allocated to the remaining performance obligations is not disclosed.

(b) Non-current assets by geographical location

As at December 31, 2024 and 2023, most of the Group's non-current assets were located in the Chinese mainland.

4 Other expenses

An analysis of other expenses is as follow:

	Year ended December 31	
	2024	2023
	RMB'000	RMB'000
Professional service expenses	21,895	21,650
Auditor's remuneration	6,521	5,413
Telecommunication and information technology related expenses	43,228	35,057
Travelling and related expenses	35,220	25,050
Listing expenses	–	19,443
Others	30,857	24,294
	<u>137,721</u>	<u>130,907</u>

5 Staff compensation expenses (including director service emolument)

	Year ended December 31	
	2024	2023
	RMB'000	RMB'000
Salaries, wages and bonuses	1,214,902	904,296
Contributions to pension plan	100,828	64,308
Housing fund, medical insurance and other social insurance	100,751	67,680
Other benefits	17,037	7,128
Total salary-based expenses	<u>1,433,518</u>	<u>1,043,412</u>
Share-based compensation	<u>75,965</u>	<u>135,269</u>
Total staff compensation expenses	<u>1,509,483</u>	<u>1,178,681</u>

6 Finance costs, net

	Year ended December 31	
	2024	2023
	RMB'000	RMB'000
Interest income on cash at bank	22,302	15,896
Interest expenses	(79,143)	(69,655)
– Bank borrowings	(9,330)	(9,668)
– Lease liabilities	(68,092)	(58,921)
– Long-term payables	(1,721)	(1,066)
Net foreign exchange losses on financing activities	<u>(1,134)</u>	<u>(886)</u>
	<u>(57,975)</u>	<u>(54,645)</u>

7 **Income tax expense**

	Year ended December 31	
	2024	2023
	RMB'000	RMB'000
Current tax		
– Current tax on profits for the year	100,021	44,353
– Adjustments for current tax of prior periods	(247)	343
	99,774	44,696
Deferred income tax	(55,364)	(15,818)
	44,410	28,878

(i) B.V.I. profits tax

The Company is incorporated in the British Virgin Islands as an exempted company with limited liability under the Companies Law of the British Virgin Islands and, accordingly, is exempted from payment of British Virgin Islands income tax.

(ii) Hong Kong profits tax

The Hong Kong profits tax rate applicable to the Group is 16.5%. No Hong Kong profits tax has been provided, as the Group have no assessable profit earned or derived in Hong Kong during the year ended December 31, 2024 (2023: 16.5%).

(iii) Cayman Islands profits tax

The Company's subsidiary incorporated in the Cayman Islands is an exempted company with limited liability and, accordingly, is exempted from payment of the Cayman Islands income tax.

(iv) The Chinese mainland corporate income tax ("CIT")

CIT is provided on the taxable income of entities within the Group incorporated in the Chinese mainland. Except as disclosed below, the corporate income tax rate applicable to the subsidiaries incorporated in the Chinese mainland is 25% for the year ended December 31, 2024 (2023: 25%). Certain subsidiaries of the Group are qualified as small and micro businesses and enjoy preferential income tax rate as approved by the local tax authorities with effect from the respective dates of their establishment. The tax rate is 5% on taxable income for the year ended December 31, 2024 (2023: 5%). In addition, a subsidiary of the Group is qualified for the preferential income tax rate as approved by the local tax authorities and the tax rate is 15% on taxable income for the year ended December 31, 2024 (2023: 25%).

8 Earnings/(loss) per share

(a) Basic

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the respective years.

	Year ended December 31	
	2024	2023
Profit/(loss) attributable to equity holders of the Company (RMB'000)	<u>55,195</u>	<u>(26,603)</u>
Weighted average number of ordinary shares in issue (thousands)	<u>130,262</u>	<u>121,669</u>
Basic earnings/(loss) per share (RMB)	<u><u>0.42</u></u>	<u><u>(0.22)</u></u>

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's potentially dilutive ordinary shares comprised of share options and RSUs not yet vested.

	Year ended December 31	
	2024	2023
Profit attributable to equity holders of the Company (RMB'000)	55,195	(26,603)
Weighted average number of ordinary shares in issue (thousands)	130,262	121,669
Adjustments for share options and RSUs (thousands) ⁽ⁱ⁾	1,720	–
Weighted average number of ordinary shares for diluted earnings per share (thousands)	<u>131,982</u>	<u>121,669</u>
Diluted earnings per share (RMB) ⁽ⁱ⁾	<u><u>0.42</u></u>	<u><u>(0.22)</u></u>

(i) As the Group incurred losses for the year ended 31 December 2023, the dilutive potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilution. Accordingly, diluted loss per share for the year ended 31 December 2023 is the same as basic loss per share.

9 Dividends

No dividends have been paid or declared by the Company for the year ended December 31, 2024 (2023: nil).

10 Trade receivables

	As at December 31	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables due from third parties	13,255	9,954
Less: allowance for impairment of trade receivables	(293)	(202)
	<u>12,962</u>	<u>9,752</u>

Aging of trade receivables, based on invoice date, are as follows:

	As at December 31	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Within 30 days	<u>13,255</u>	<u>9,954</u>

The carrying amounts of trade receivables approximated their fair values as at the balance sheet dates due to their short-term maturities, and these balances were all denominated in RMB.

11 Trade payables

The aging analysis of trade payables, based on invoice date, were as follows:

	As at December 31	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	248,591	153,720
4 to 6 months	20	–
Over 6 months	34	184
	<u>248,645</u>	<u>153,904</u>

The carrying amounts of trade payables approximated their fair values as at the balance sheet dates due to their short-term maturities, and these balances were all denominated in RMB.

12 Accruals and other payables

	As at December 31	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Non-current		
Provision for restoration costs	<u>36,939</u>	<u>20,757</u>
	<u>36,939</u>	<u>20,757</u>
Current		
Salary and welfare payables ⁽ⁱ⁾	241,025	219,141
Payables for plant and equipment and intangible assets	126,163	104,443
Accrued expenses ⁽ⁱⁱ⁾	264,066	216,431
Others	<u>44,797</u>	<u>31,092</u>
	<u>676,051</u>	<u>571,107</u>
Total accruals and other payables	<u>712,990</u>	<u>591,864</u>

- (i) Salary and welfare payables include unpaid IPO Bonus amounted to RMB7,688,000 for the year ended December 31, 2024 (2023: RMB33,646,000). The unpaid IPO bonus was fully settled in January 2025.
- (ii) Accrued expenses primarily include accrued advertising and promotion expenses, accrued information technology expenses, accrued professional service expenses, accrued utilities expenses, accrued store operation expenses and accrued royalty expenses.

The carrying amounts of accruals and other payables approximated their fair values.

Accruals and other payables are denominated in the following currencies:

	As at December 31	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
RMB	663,997	543,492
US\$	<u>48,993</u>	<u>48,372</u>
	<u>712,990</u>	<u>591,864</u>

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.dpcdash.com. The annual report of the Group for the year ended December 31, 2024 will be published on the aforesaid websites and will be dispatched to the Shareholders (if requested) in due course in accordance with the Listing Rules.

By order of the Board
DPC Dash Ltd
Frank Paul KRASOVEC
Chairman

Hong Kong, March 27, 2025

As of the date of this announcement, the Board comprises Ms. Yi WANG as executive Director, Mr. Frank Paul KRASOVEC, Mr. James Leslie MARSHALL, Mr. Zohar ZIV, Mr. Matthew James RIDGWELL and Mr. Joseph Hugh JORDAN as non-executive Directors and Mr. David Brian BARR, Ms. Lihong WANG and Ms. Bin YU as independent non-executive Directors.