

23 February 2022

ASX Market Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Half-Year Results Presentation

Attached for release to the market is the Half-Year Results Presentation for the period ended 2 January 2022.

Authorised by: Kate Eastoe, Group Company Secretary

For further information contact

Investors and analysts

Paul van Meurs
Head of Investor Relations
+61 407 521 651

Media

Woolworths Press Office
media@woolworths.com.au
+61 2 8885 1033

ersonal use only

Woolworths Group

Group Half-Year Results 2022



Woolworths Group Purpose

What we mean by 'We'

It all starts with 'We' – all of us working together

What we mean by 'Better'

Consistently innovating to lead and exceed expectations

**We create
better experiences
together for a
better tomorrow**

What we mean by 'Together'

Valuing that we are better together, with each other and in partnership

What we mean by 'Experiences'

Meaningful moments, both big and small, to make positive impacts on the lives of teams, customers, communities and partners

What we mean by 'Tomorrow'

Understanding the plans we make and the actions we take today are an opportunity to leave a positive impact on generations to come

Contents

H22 Group Summary and Progress Brad Banducci	4
Group Financial Results and Capital Management Stephen Harrison	15
Business Performance Update	29
Outlook Brad Banducci	44

First Half of F22 summary

Challenging half with material disruption due to COVID;
unwavering focus on customers, team and community

Solid sales growth for the half with strong Christmas trade;
EBIT impacted by COVID costs and BIG W store closures

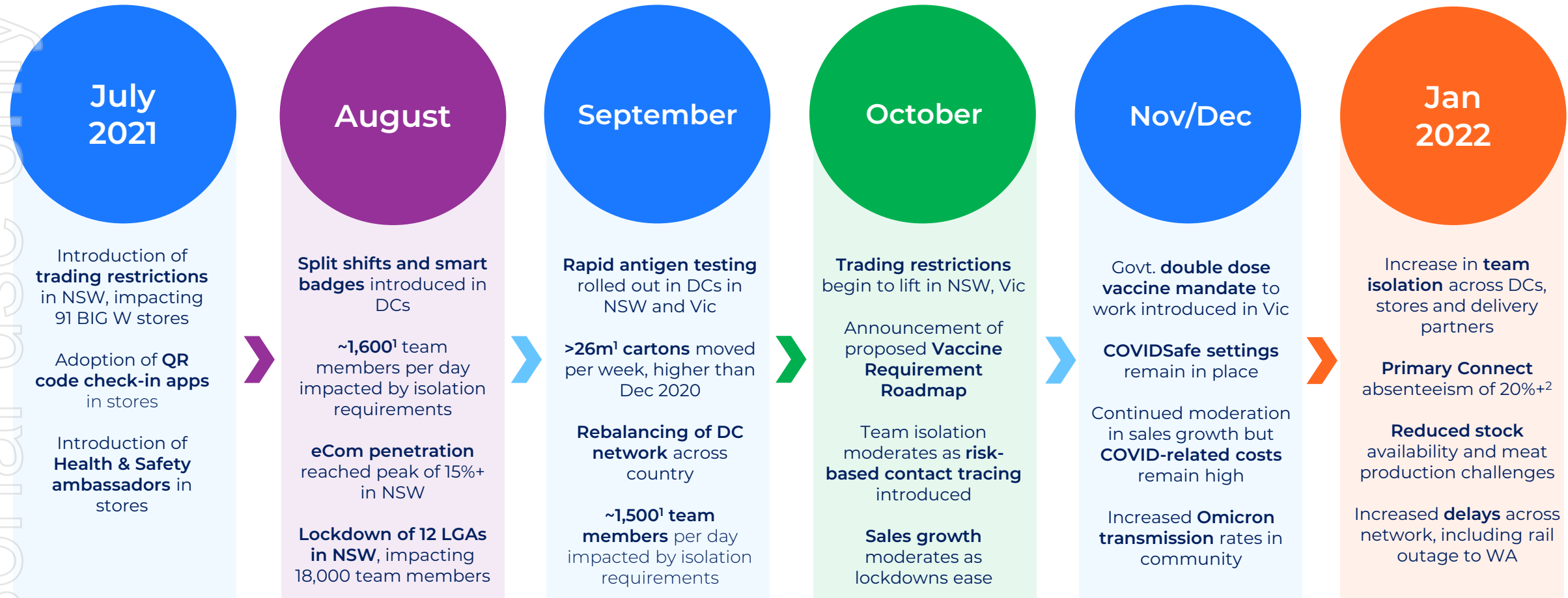
Good progress on Group's strategic agenda

Successful transition to partnership with Endeavour Group

Omicron has created new challenges, but improved
operating and financial performance expected in H2



Focus on keeping customers and team safe in rapidly evolving environment



Delta outbreak

Transition period

Omicron outbreak



¹ Woolworths Supermarkets only
² In NSW, QLD and SA

Personal use only

COVID impacting end-to-end supply chain

ersonal use only



Manufacturing and suppliers

Challenges in sourcing ingredients, packaging and pallets

Disruptions and delays to inbound sea freight; shipping container shortage and price increases



Imports



Distribution centres

High levels of team absenteeism in our own DCs, 3PL and supplier facilities

Inefficiencies due to split shifts and COVID testing



Outbound

Reduced truck driver availability

Inefficiencies due to split sites and COVID testing

Late truck arrivals into stores with partial loads



Stores and eCommerce

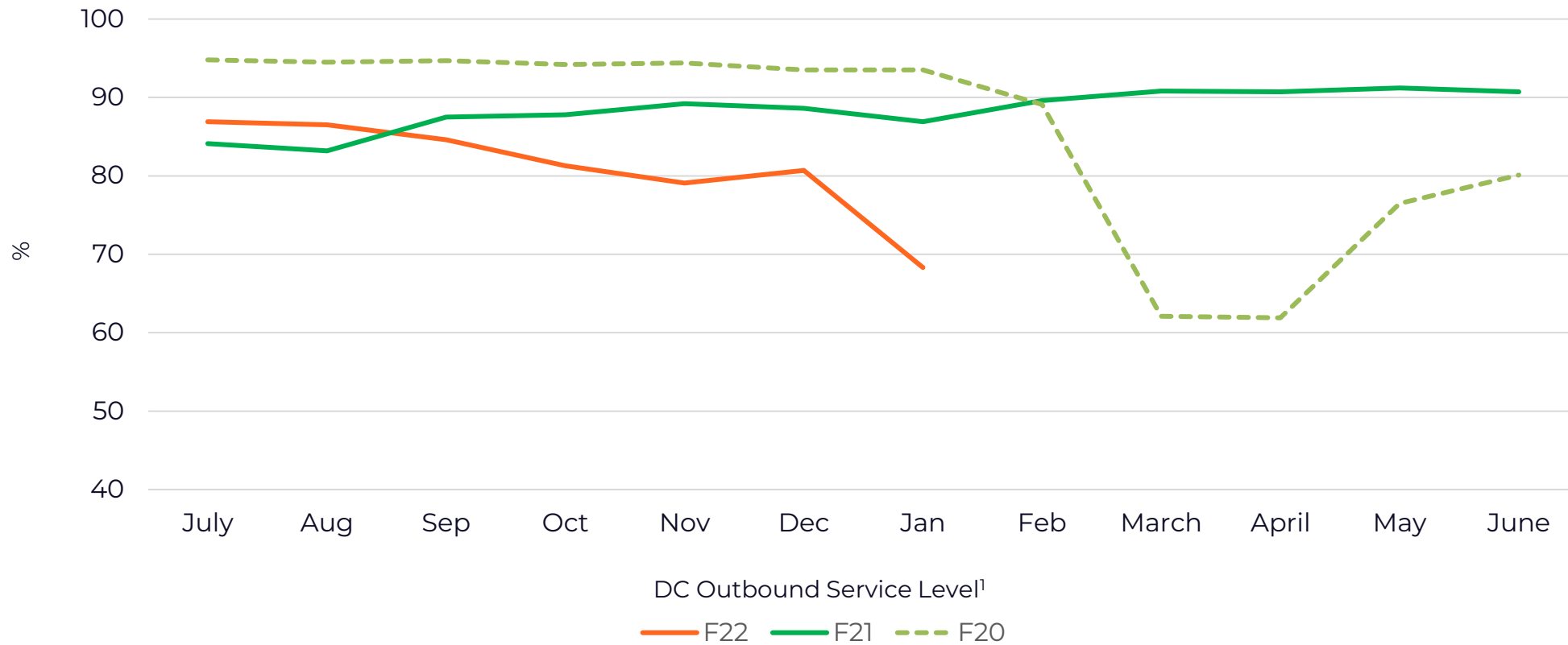
Trading restrictions and safety protocols

High levels of team absenteeism

Out of stocks

Rostering challenges given supply chain volatility

Stock flow across our network has been impacted by supply challenges



¹ Percentage of DC cartons issued to stores in comparison to ordered cartons, Woolworths Supermarkets only

Strong Christmas trading despite COVID disruption



Strong Christmas trade in Australian Food

+3.6%

Dec total sales vs. LY



89%

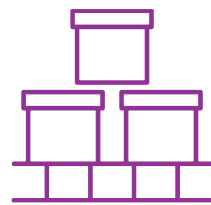
Christmas seasonal sell through in BIG W



Strong digital traffic in all banners

54m

visits



149m

cartons moved in December 21
+2m on Dec 20



1m+

record Everyday Rewards app weekly active users during Christmas period



180

new products launched as part of Woolworths Food Company Christmas range



Maintained market share and strong overall customer advocacy



Achieved Group Severity Rate safety target



Continued progress on strategic agenda



1 Better together for a better tomorrow

- First Nations Advisory Board established
- Healthiest Supermarket Own Brand range for third consecutive year
- Christmas Thank You payment (\$34m) to all team members
- Maintained strong Reputation and VOC NPS Customer Care metric across all retail businesses
- More to do to complete end-to-end payroll review and remediation of team members

2 Connect our customer experience for good food and more everyday

- 653 Woolworths Supermarkets now offering Direct to boot, material increases in Home Delivery capacity; eLockers and Drives in 56 stores in New Zealand
- Record BIG W eCom penetration of 32% in August due to store closures
- Active weekly App users up 50% in December vs prior year
- Fourth eStore opened in Maroochydore, Qld
- More to do to embed eCom capacity increases and improve customer experience

Continued progress on strategic agenda



3 Reimagine our Food retail proposition

- Completed 28 Renewals in Australia and New Zealand despite COVID
- CORE/VALUE/UP store tailored range and space activated in 30 categories. New UP format in development for Double Bay and VALUE format in Miller, NSW
- Second tailored Community Supermarket opened in Rhodes, NSW; multicultural ranges now live in 180 stores
- RT3 rolled out to SA, NT and ACT; national rollout to be completed by F23
- More to do to restore consistent operating rhythm and end-to-end stock flow

4 Activate Everyday for our customers

- Continued increase in Everyday Rewards members and scan rates with 13.3m members at end of half
- Everyday Rewards App reached record level of over 1m weekly active users in Q2
- Delivery Unlimited relaunched with >60% increase in subscribers
- Everyday Market launched in September
- More to do to roll out Real Time Loyalty Platform, Everyday Pay and continue to grow Everyday Market

Continued progress on strategic agenda



5 Grow Food into B2B channels


- New segment, Australian B2B, to reflect changing shape of the Group
- Solid performance from PFD despite challenging operating environment
- Successful transition to partnership with Endeavour Group
- Primary Connect 3rd party continues to grow; completed roll out of 26 MetroGo stores in partnership with Ampol
- More to do to embed new operating model and scale new businesses

6 Evolve our stores, supply chain and business platforms for the future

- Record volumes at MSRDC in H1
- Heathwood, Qld opened ahead of schedule and Palmerston North DC and Hilton meat plants opened in New Zealand
- Strong growth from Cartology in Australia and New Zealand
- Successful launch of Q-Retail; pleasing progress on Advanced Analytics Roadmap
- More to do to deliver on Primary Connect investments and grow Cartology and Quantum

Progress against Sustainability goals

People



Make a positive change to the future of our people, our partners and our communities

Positive impact on our customers and communities

Rollout of 'Toys for Joy' in BIG W
a program in 61 stores aimed to recycle toys

Holistic wellbeing of our team

12-month rolling Severity Rate

1.88
(better than benchmark)

Be a truly inclusive workplace

Countdown recertified with Rainbow Tick

✓ WGEA Employer of Choice citation
2020 – 2022 accreditation

✓ AWEI Gold Tier Status for LGBTQ inclusion
4th consecutive year

First Nations Advisory Board
established with team member and external representation


Planet



Ensure we leave the environment better off for future generations

Net positive carbon emissions by 2050

Reduction in Scope 1 and 2 emissions



6.0%¹
below H2I

¹ Excludes Endeavour Group, PFD and Quantum; excludes transport and stationary fuel

100% Green electricity by 2025

power from solar

29,355kW

capacity installed in 145 stores and sites across network

Zero organic food waste to landfill by 2025

43,635t²

of organic waste diverted from landfill

² Woolworths Supermarkets only

Product



Have a positive impact on people and the planet through the product and services provided

Commenced **partnership with Samsara**, a new Australian plastic recycling start up, in partnership with Australian National University and CSIRO

Commitment to turn first 5,000 tonnes of recycled Samsara plastic into packaging for Own Brand products

Materially increase healthier choices

Named **Australia's Healthiest Supermarket Own Brand range**

by the George Institute for third consecutive year

Reduction in virgin plastic

Introduction of new packaging trays for red meat containing up to 90% recycled PET, forecasted to save

>3,000t

of virgin plastic annually

Woolworths Group food and everyday needs ecosystem

ersonal use only

1

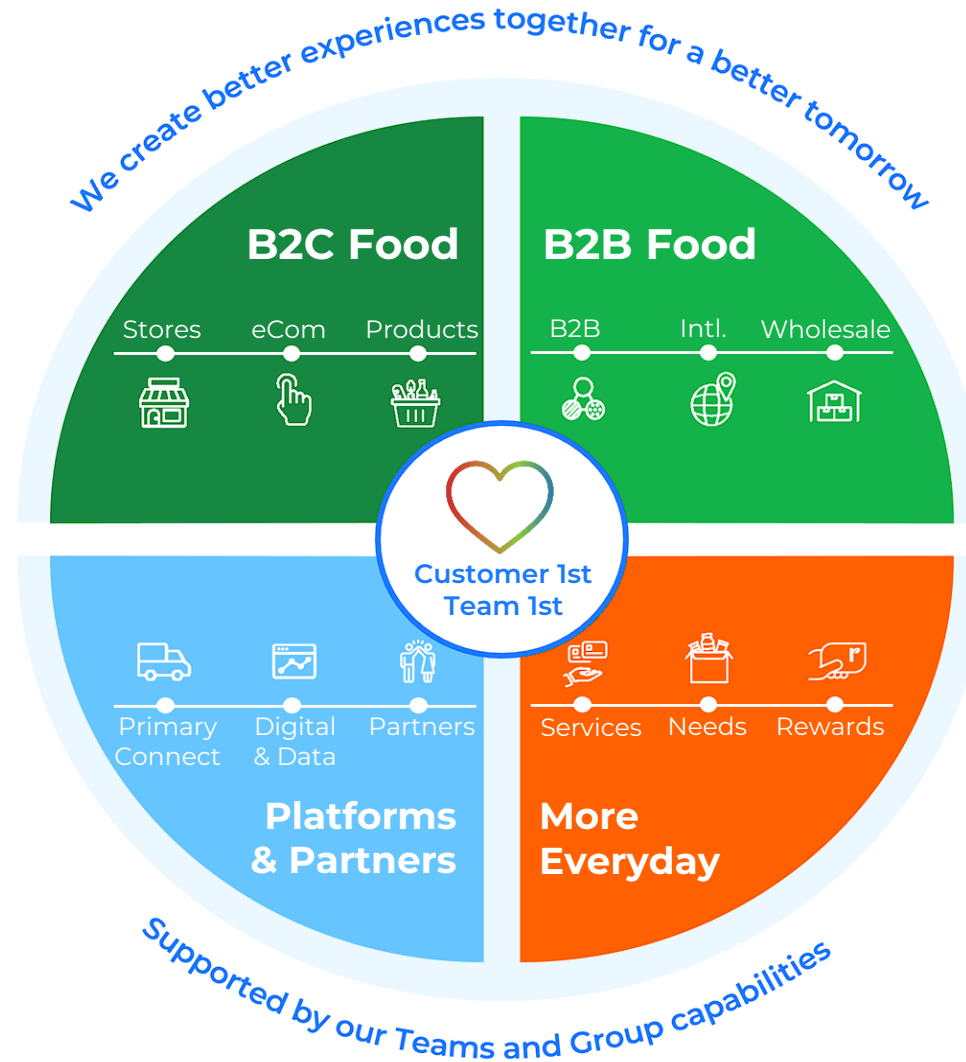
B2C Food

Our cornerstone retail food businesses, famous for good food, prices and acts and always convenient

4

Platforms & Partners

Technology and analytics enabled retail platforms delivering value for Woolworths Group and partners



2

B2B Food

Expanding food into new customer segments, channels and markets

3

More Everyday

Extending into complementary everyday categories and services to provide more for our customers

Contents

H22 Group Summary and Progress Brad Banducci	4
Group Financial Results and Capital Management Stephen Harrison	15
Group financial results COVID costs Key balance sheet metrics Capital management framework Cash flow summary Capital expenditure Capital management Primary Connect transformation	
Business Performance Update	29
Outlook Brad Banducci	44

ersonal use only

Financial Results and Capital Management

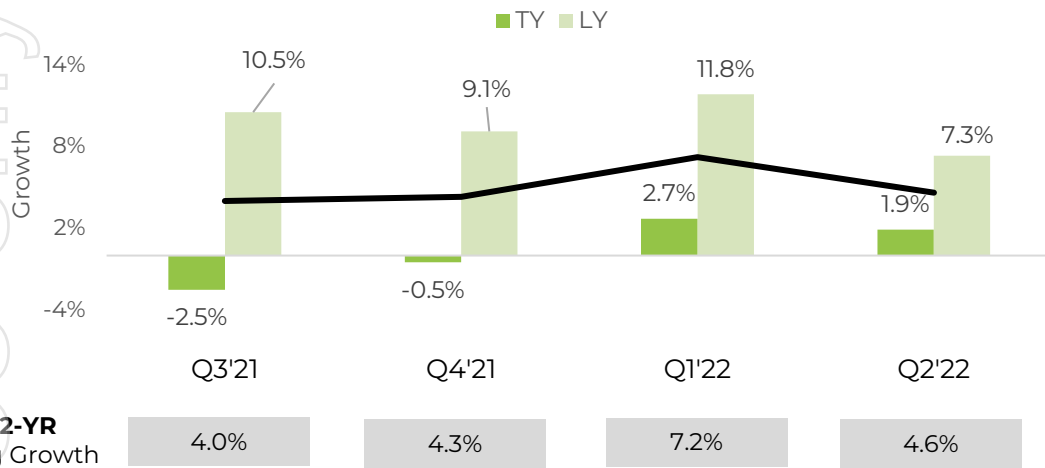


H22 results summary

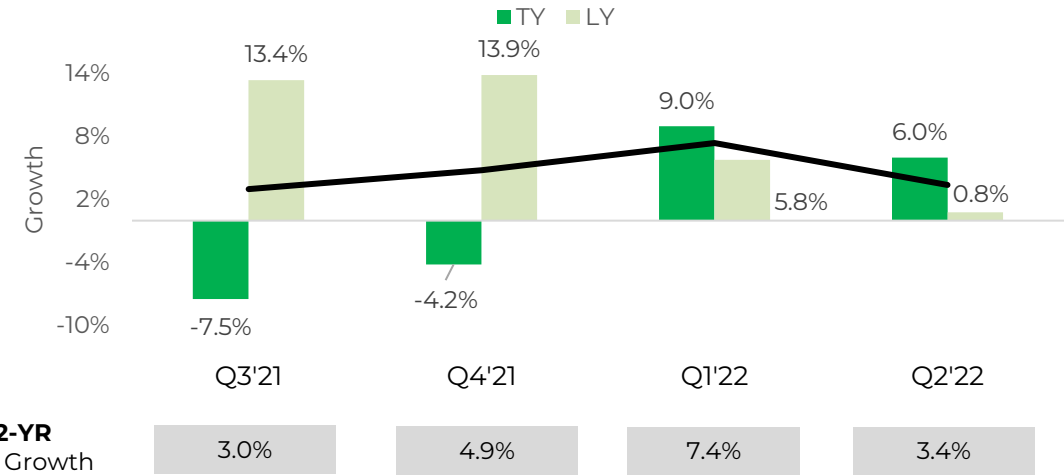
\$ MILLION	H22 (27 WEEKS)	H21 (27 WEEKS)	CHANGE
Continuing operations before significant items			
Sales	31,894	29,535	8.0%
EBIT	1,382	1,554	(11.0)%
NPAT attributable to equity holders of the parent entity	795	850	(6.5)%
Basic EPS (cents)	64.3	67.8	(5.1)%
Group before significant items (including Endeavour Group in H21)			
Sales	31,894	35,885	(11.1)%
EBIT	1,382	2,092	(33.9)%
Group after significant items			
NPAT attributable to equity holders of the parent entity	7,063	1,135	n.m.
Basic EPS (cents)	571.0	90.5	n.m.
Dividend per share (cents)	39	53	(26.4)%
Dividend per share (cents) – excluding Endeavour Group	39	40	(2.5)%

Two-year sales growth strong across the Group

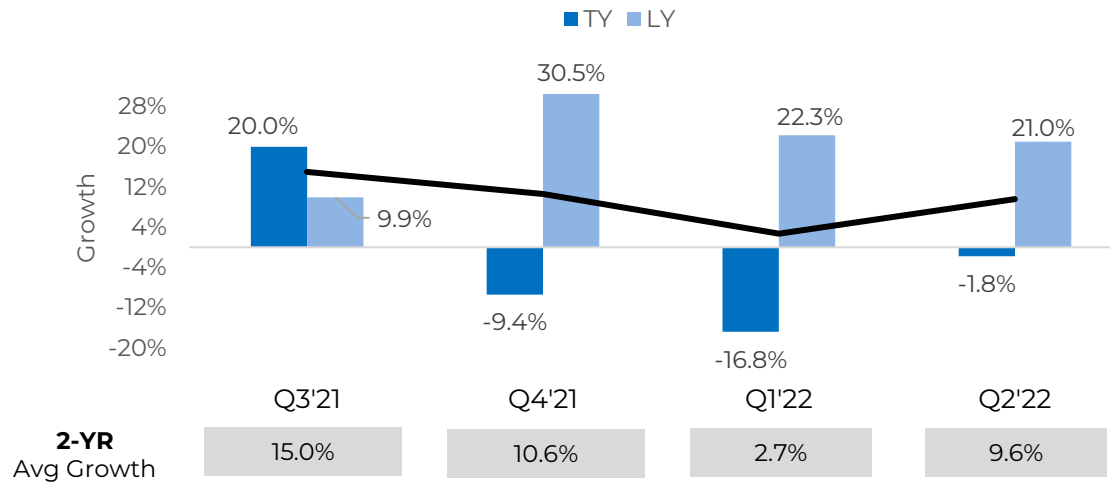
Australian Food comparable sales



New Zealand Food comparable sales



BIG W comparable sales



Group EBIT decline reflecting challenging operating environment

\$ MILLION	H22 (27 WEEKS)	H21 (27 WEEKS)	CHANGE	2-YR CAGR
Before significant items				
Australian Food	1,217	1,317	(7.6)%	2.6%
Australian B2B	18	9	107.0%	
New Zealand Food (AUD)	191	181	5.9%	4.4%
<i>New Zealand Food (NZD)</i>	<i>200</i>	<i>194</i>	<i>3.3%</i>	<i>3.9%</i>
BIG W	25	133	(81.2)%	(29.3)%
Other ¹	(69)	(86)	(19.6)%	(1.4)%
EBIT from continuing operations before significant items	1,382	1,554	(11.0)%	1.9%
EBIT from discontinued operations before significant items	-	538	n.m.	
Group EBIT before significant items	1,382	2,092	(33.9)%	
Significant items	6,242	-	n.m.	
Group EBIT	7,624	2,092	n.m.	

¹Other consists of the Group's other operating segments that are not separately reportable as well as various support functions including Property and Group overhead costs, the Group's share of profit or loss of investments accounted for using the equity method (including Endeavour Group), and consolidation and elimination journals

Group COVID costs 0.7% of sales through H1; indirect COVID costs materially higher than prior year

\$ MILLION	H1'22 (27 WEEKS)	Q2'22 (13 WEEKS)	Q1'22 (14 WEEKS)	H2'21 (25 WEEKS)	Q4'21 (12 WEEKS)	Q3'21 (13 WEEKS)	H1'21 (27 WEEKS)
Cleaning and PPE	40	18	22	25	10	15	91
Contractors and security	11	5	6	7	4	3	13
Team costs ¹	85	34	51	10	5	5	60
Supply chain	69	46	23	12	5	7	61
COVID costs before discretionary payments	205	103	102	54	24	30	225
Team discounts, incentives, recognition payments and donations ²	34	34	-	1	-	1	52
Total COVID costs³	239	137	102	55	24	31	277
COVID costs (% of sales)	0.7%	0.9%	0.6%	0.2%	0.2%	0.2%	0.8%

¹ Represents incremental team members, leave costs and roles, to support COVID crisis management and customer and team safety (and excludes any incremental variable cost driven by higher sales)

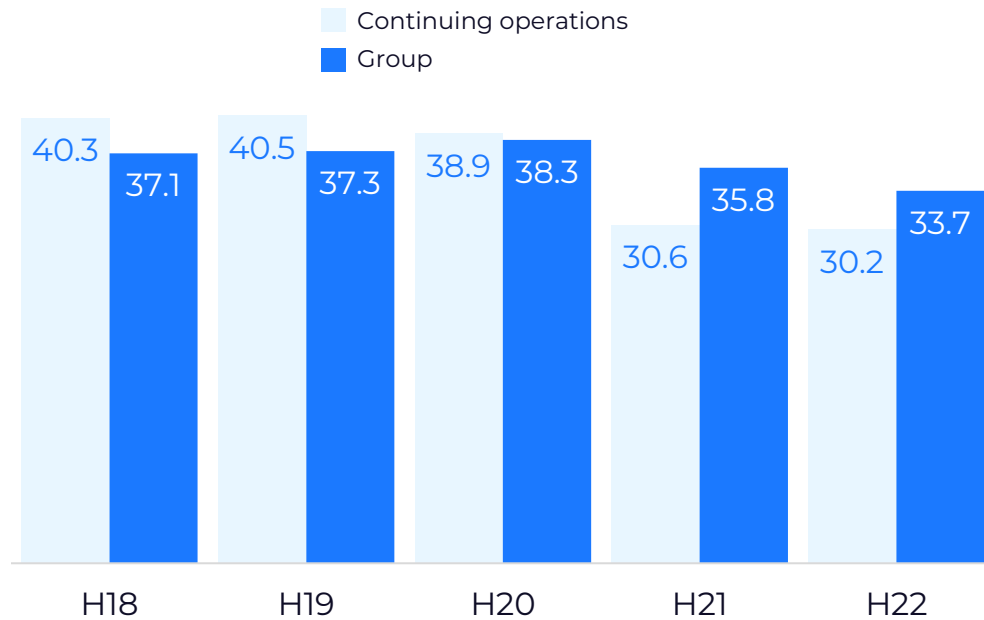
² Cost of team discounts offset against sales

³ Includes Endeavour Group costs of \$20m in H1 F21 and \$8m in H2 F21

Indirect COVID costs in Australian Food in H1 of \$69 million reflecting disruption and inefficiencies across store operations, meat facilities, customer fulfilment centres and supply chain

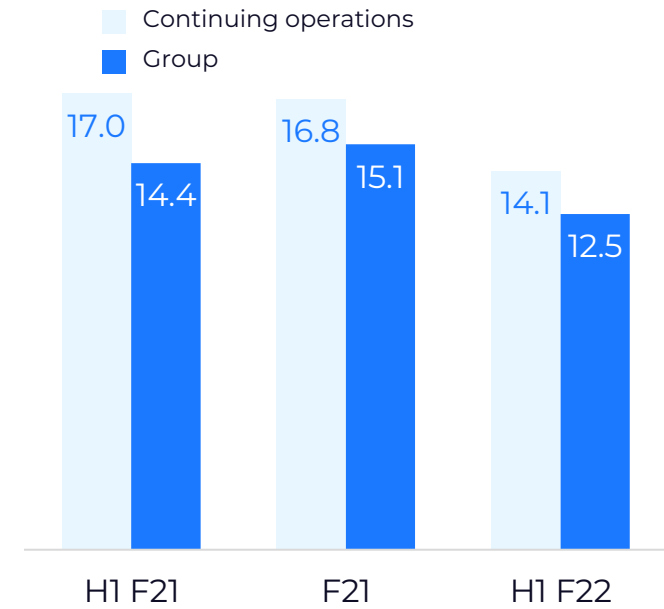
Lower average inventory days due to strong sales; ROFE impacted by lower EBIT

Average inventory days¹
Days



Average inventory days from continuing operations declined 0.4 days due to COVID-driven demand in Food partially offset by BIG W due to store closures

Normalised ROFE²
Percentage (%)



ROFE from continuing operations decreased 290 bps driven by lower Group EBIT

¹Average inventory days calculated on a rolling 13 month basis

²F21 closing funds employed included in the ROFE calculation excludes the \$7,870m demerger distribution liability. H21 continuing operations ROFE has been restated to exclude Endeavour Group, which became a discontinued operation at the end of F21. EBIT excluding significant items, in H1 F22

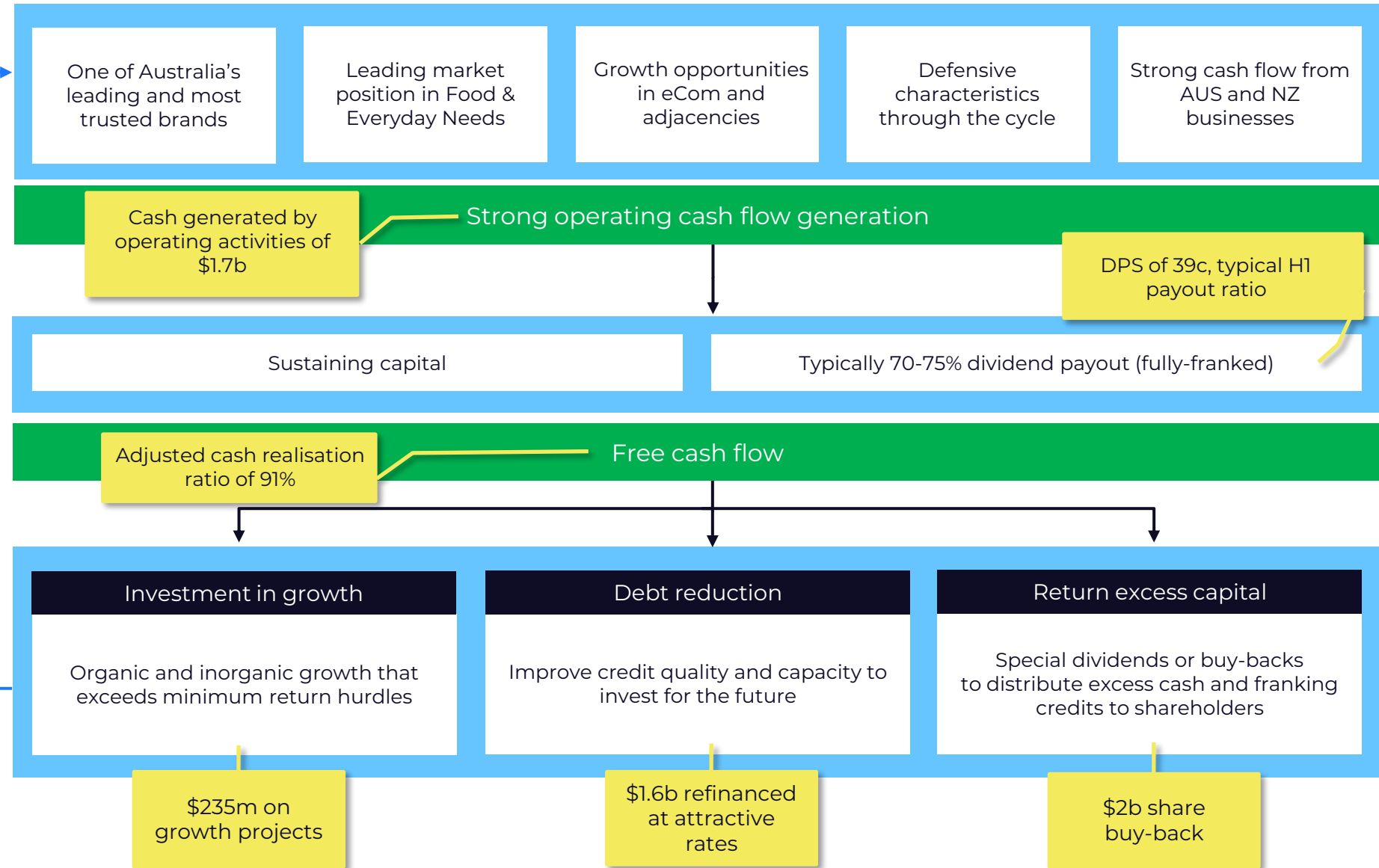
Personal use only

Woolworths Group capital management framework

Investment proposition

Capital allocation to sustain business and support shareholder returns

Disciplined capital allocation to manage free cash flow



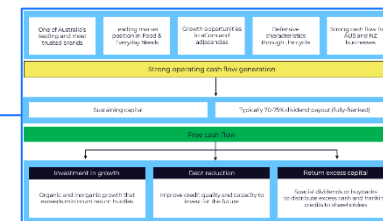
Solid investment grade credit rating



Cash flow funding investment and shareholder returns

\$ MILLION	H22 (27 WEEKS)	H21 (27 WEEKS)	CHANGE
EBITDA – continuing operations	2,454	2,608	(6.0)%
EBITDA – discontinued operations	6,387	807	n.m.
Group EBITDA	8,841	3,415	158.8%
Working capital and non-cash movements	(6,265)	358	n.m.
Cash from operating activities before interest and tax	2,576	3,773	(31.6)%
<i>Cash from operating activities before interest and tax – cont. ops</i>	<i>2,576</i>	<i>2,626</i>	<i>(1.9%)</i>
Interest paid – leases	(322)	(407)	(20.8)%
Net interest paid – non-leases	(13)	(67)	(80.2)%
Tax paid	(510)	(419)	21.7%
Total cash provided by operating activities	1,731	2,880	(39.8)%
Total cash used in investing activities	(1,280)	(710)	80.2%
Free cash flow before lease payments, dividends, share payments and proceeds from loans to related party	451	2,170	(79.2)%
Repayment of lease liabilities	(554)	(618)	(10.2)%
Dividends and payments for shares held in trust	(633)	(525)	10.3%
Proceeds from loan to related party	1,712	-	n.m.
Payments for share buy-backs	(2,000)	-	n.m.
Net cash flow	(1,024)	1,027	n.m.
Cash realisation ratio (CRR)	91%	115%	

¹CRR adjusted for non-cash gain on demerger of Endeavour Group of \$6,387m



EBITDA – continuing operations declined by 6.0% impacted by COVID challenges. EBITDA – discontinued operations includes non-cash gain on demerger of Endeavour Group

Working capital discussed on slide 23

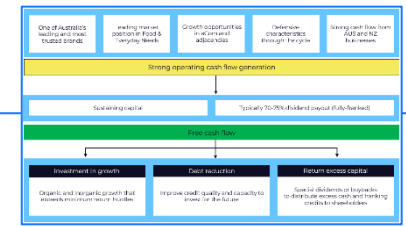
Reduction in **interest paid** reflects demerger of Endeavour Group and refinancing of borrowings at favourable rates

Higher tax paid due to higher profit in F21

Capex discussed on slide 24

Reduction in **lease payments** reflects demerger of Endeavour Group

Endeavour Group intercompany **loan** of \$1.7b repaid on 28 June. Proceeds used to fund off market buy-back of \$2b



Continuing operations working capital benefit of \$122m

\$ MILLION	H22 (27 WEEKS)	H21 (27 WEEKS)	CHANGE
Working capital and non-cash movements			
Working capital and non-cash – continuing operations			
Increase in inventories	(292)	(207)	41.1%
Increase in trade payables	341	387	(11.9)%
Increase/(decrease) in provisions	197	(201)	n.m.
Net change in other working capital and non-cash	(124)	39	n.m.
Total – continuing operations	122	18	n.m.
Net change in working capital and non-cash – discontinued operations	(6,387)	340	n.m.
Total – Group	(6,265)	358	n.m.

Higher inventory due to elevated trading and to mitigate supply chain disruption

Increased purchases offset by reduced payment days for small suppliers and payment timing

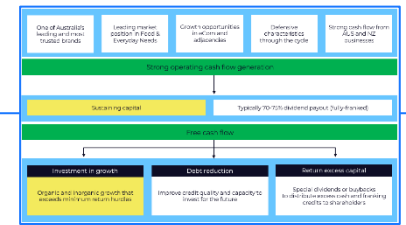
Higher remediation and self-insurance provisions. Prior year reflected cash remediation of team members

Impacted by the first-time recognition of receivables from Endeavour Group

Non-cash gain on demerger of Endeavour Group

Personal use only

Higher operating capex investment in supply chain and eCom



Group capex (continuing operations)

\$ MILLION	H22	H21
Sustaining capex	587	515
Growth capex	235	215
Operating capex	822	730
Property development	313	155
Gross capex	1,135	885
Property sales	(195)	(225)
Group net capex	940	660
Net lease asset additions	308	365

F22 operating capex expected to be ~\$2b

Sustaining capex

\$ MILLION	H22	H21
SIB	112	90
Renewals	174	177
Supply chain	136	58
IT	87	115
Productivity	78	75

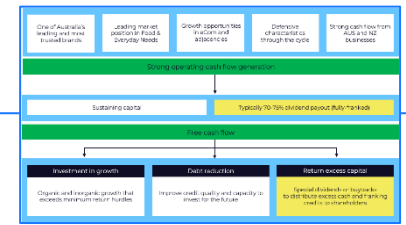
Growth capex

\$ MILLION	H22	H21
New stores	45	54
Digital	55	62
eCom	68	38
Other growth	67	61

Sustainability capex¹

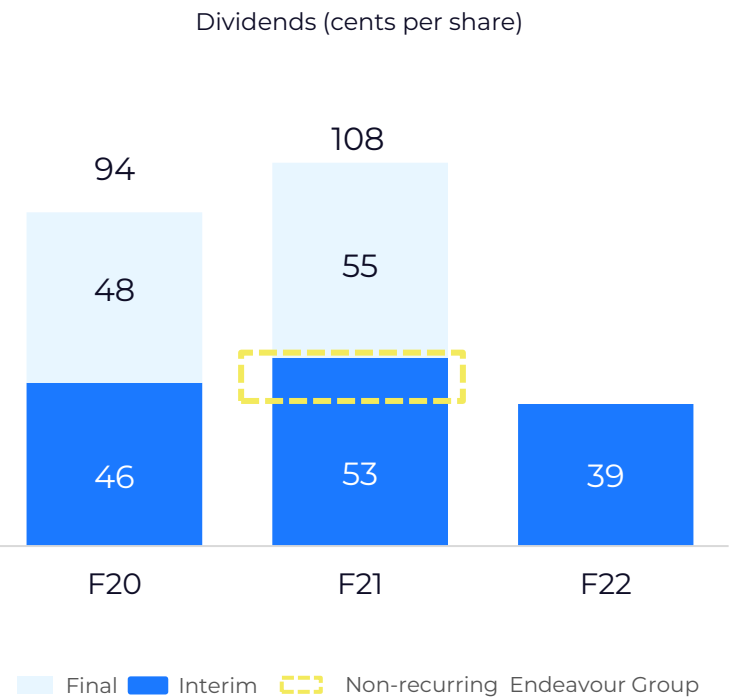
\$126 million including refrigeration, solar and LED lighting

¹ Sustainability capex included in sustaining and growth capex

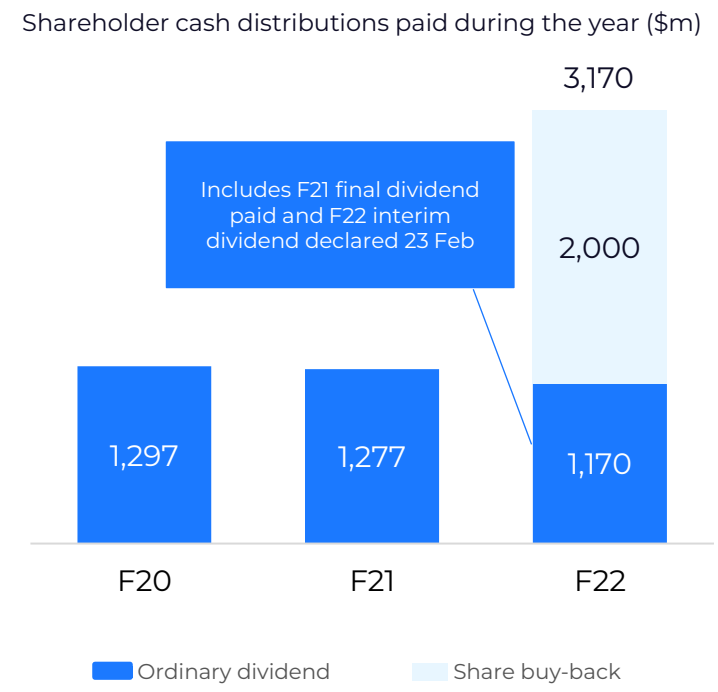


Dividend payout ratio in line with H21

39 cps interim dividend

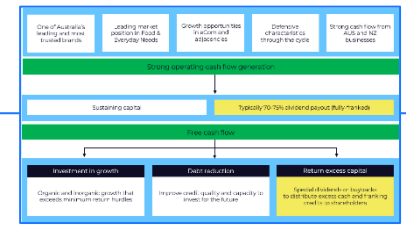


\$3.2b to be returned to shareholders in F22



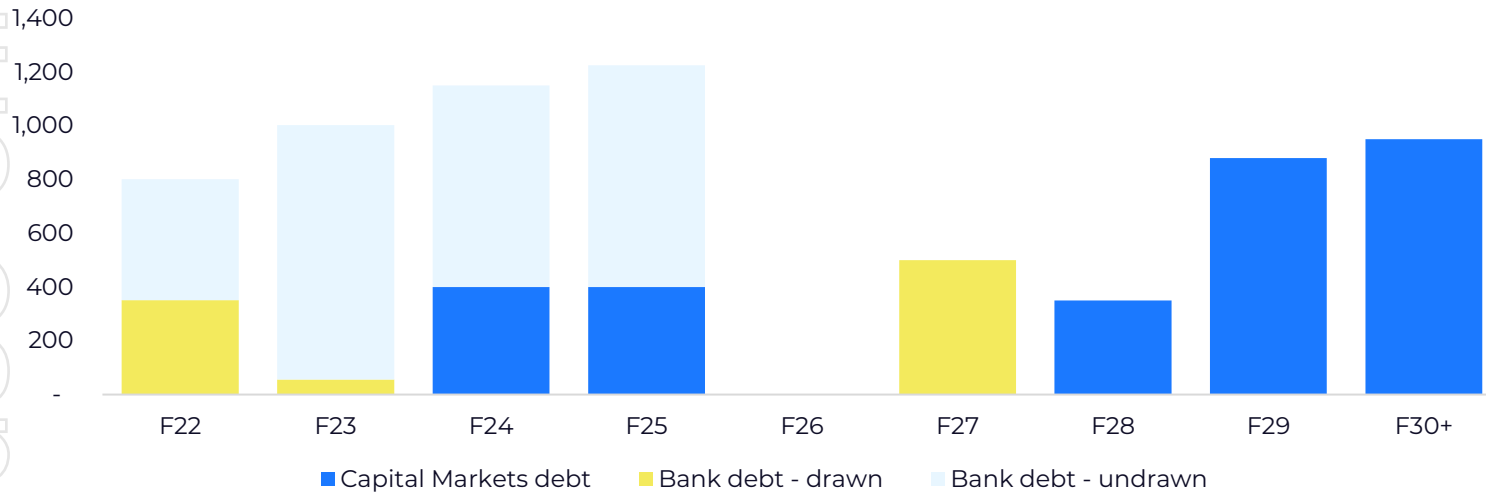
- Interim dividend of 39 cps, marginally below H21 of 40 cps (excluding Endeavour Group), reflecting a decline in NPAT
- DRP satisfied via new share issuance, no discount
- \$2b off-market share buy-back successfully completed in October 2021 following demerger of Endeavour Group
- Share buy-back complements payment of ordinary dividends. \$3.2b to be returned to shareholders in F22

Personal use only



Strong funding profile with substantial available liquidity

Debt maturity profile (\$m)¹



A solid investment-grade credit rating

S&P: BBB (stable outlook)³
Moody's: Baa2 (stable outlook)³

There is currently significant headroom above thresholds for current ratings

- Sources of funding and liquidity remain strong, with total committed undrawn facilities of \$2.6b², in addition to cash
- Weighted average maturity of 4.0 years²
- In September 2021, the Group successfully completed \$1.6b of debt capital market issuances:
 - EUR550m (approximately \$880m) European Medium Term Notes issuance, maturing Nov 2028; and
 - \$700m domestic Medium Term Notes issuance, \$350m maturing Nov 2027 and \$350m maturing Nov 2031
- These issuances were structured as Sustainability Linked Bonds, with a direct link to the Group's commitment to reducing its carbon emissions
- H22 net debt (excluding lease liabilities) of \$2,927m (F21: \$1,863m). Including lease liabilities, total net debt of \$15,480m (F21: 13,879m)



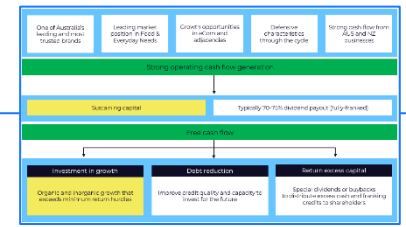
¹ Excludes lease liabilities and debt relating to non wholly owned subsidiaries

² As at 2 January 2022

³ Credit ratings issued by a credit rating agency which holds an Australian Financial Services Licence authorised to issue credit ratings to wholesale clients only and are published for the benefit of the Group's debt providers

Personal use only

Good progress on Primary Connect transformation despite challenges during the half



Now operational



Heathwood Chilled & Frozen DC, Qld
New manual chiller and freezer facility
Opened ahead of schedule in H1



Melbourne South Regional DC
Averaging record 2.2m cartons per week in H1
Further increase in volumes expected in H2



Palmerston North DC, NZ
New greenfield ambient DC
Opened August 2021

In development



Auburn CFC in partnership with WooliesX
Construction commenced in December 2021 on first automated CFC, expected to open 2024



Auckland Fresh DC
Development of a new 20,000 sqm Fresh DC
Expected to open 2022



Moorebank NSW NDC and RDC
Two co-located DCs across 75,000 sqm
Expected to open 2024 (NDC) and 2025 (RDC)
Construction started

Contents

H22 Group Summary and Progress Brad Banducci	4
Group Financial Results and Capital Management Stephen Harrison	15
Business Performance Update	29
Outlook Brad Banducci	44

ersonal use only

Woolworths 
The fresh food people



Australian Food

	H22 (27 WEEKS)	H21 (27 WEEKS)	CHANGE
H22 FINANCIAL METRICS			
Total sales (\$m)	23,780	22,988	3.4%
EBITDA (\$m)	2,054	2,096	(2.0)%
EBIT (\$m)	1,217	1,317	(7.6)%
Gross margin (%)	30.2	29.5	79 bps
CODB (%)	25.1	23.7	140 bps
EBIT to sales (%)	5.1	5.7	(61) bps
Sales per square metre (\$) ¹	18,036	18,209	(0.9)%
ROFE (%) ²	24.8	26.5	(166) bps
H22 SUSTAINABILITY METRICS			
Scope 1 & 2 carbon emissions (tonnes) ³	858,072	909,054	(5.6)%

¹Sales per square metre has been restated to exclude Australian B2B, adjacency revenue and non-sales area of customer fulfilment centres

²Prior period funds employed and return on funds employed have been restated to exclude the new Australian B2B segment

³Includes emissions from Australian B2B segment

Progress against F22 priorities



Bring a little good to everyone, everyday

Strong customer 'care' scores

Multiskilling focus, supporting online growth and meaningful hours

A better sustainable tomorrow

Removal of single-use plastic cutlery
Ranked **Healthiest Own Brand** range for third consecutive year

Reimagined brand as Today's Fresh Food People

Strengthening of **Brand NPS and Reputation** scores



Transform core propositions for changed customer needs

Everyday and personalised value

Successful **Prices Dropped** campaign for Winter and Christmas
>100 supplier partners participating in **Rewards 'Boosts' program**

Tailored range

Curated **CORE/VALUE/UP** range and space rolled out across all stores, in 30 major categories

Transforming E2E fresh

National rollout **Eat Now/Eat Later** bananas
Successful seasonal **Woolworths Food Company** product range



Anticipate the needs of connected customers

Digital food destination

+15m weekly customer visits to digital platforms

Connected customer experience

Scan & Go live in 33 Supermarkets, 11 Metro Food Stores

Convenient and consistently good eCom

Direct to boot now in 653 stores, with material Home Delivery capacity increases



Build E2E

COVIDSafe

Continued to evolve **COVIDSafe** practices and initiatives

Simpler, safer & smarter E2E

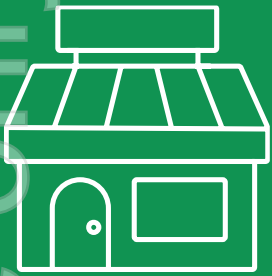
Roll out of **RT3 rostering tool** to all stores in SA, NT and ACT
Roll out of **Simpler Planograms** to all stores

Digitally & analytics enabled operations

Roll out of **Monika** (automated food temp checking) and commenced **Electronic Shelf Labels**

Personal use only

Format and Development highlights



Opened 9 (net) new stores and completed 27 Renewals in Woolworths Supermarkets and Metro Food Stores, bringing total store network to 1,083



Launched new eStore in Maroochydhore, Qld in Q1'22, unlocking up to 4,000 orders per week

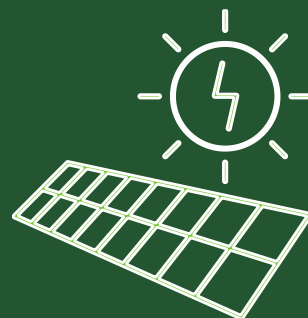
Expanded Pick up with 24 (net) new Direct to boot enabled stores, with a total of 653 Direct to boot stores



Launched Rhodes store tailored to the local multicultural community



Completed the 500th store Renewal at Port Macquarie since the commencement of the program



Rolled out solar to 7 Supermarkets and 1 DC with a total capacity of ~2,400kW

Roll out of evolved VALUE Refresh concept into Miller, NSW



Opened the first Smart Store in SA in Cumberland Park

WooliesX H22 highlights



Digital & Media

Front door to Woolies



Weekly visits across web and app

15.6m

+31.4% vs H21



Woolworths App

Active weekly app users

+44% vs Q2'21



Scan & Go expansion

33 Supermarkets
11 Metro Food Stores



Personalised digital experiences

Launched dynamic and **personalised recipes** with content curated and aligned to search trends



Cartology

Cartology launched a new offsite product, running media campaigns on YouTube

eCom & Fulfilment

Easy shopping when and where you want it

Pick up penetration of 39.2% for Q2'22 with expanded Direct to boot capacity in **653** stores



Delivery Unlimited B2C Paid Subscribers

+65% vs H21

eCom B2C sales \$2.6b
+50.5% vs H21

Online VOC NPS 53
(5) vs H21

Total eCom Customers 2.1m
+44% vs H21

1 hour ultra convenient deliveries launched with Uber Eats



Everyday Market went live providing customers with a range of products across household appliances, baby, toys, pet care, health and beauty



Green Windows launched, empowering customers to select more sustainable home delivery options and reduce their carbon footprint

Loyalty & FinTech

Seamless experiences to enjoy a little more, every day

13.3 million

+570,000 or **+4.5%** vs Q2'21

everyday rewards

Everyday Rewards members with more active members and scan rates of 54.4%

Everyday Rewards App

Active weekly app users

+61% vs Q2'21



Bank for Christmas



Strong member engagement and participation

Launched New Partners



enabling members to earn 1 pt per eligible \$1 spent, plus bonus pts

DINNERLY



Canstar Blue's 2021 Everyday Rewards Best-Rated Loyalty Reward Program

ersonal use only



Australian B2B

New operating segment - Australian B2B

Personal use only

B2B Food



PFD Food Services

One of Australia's leading food service suppliers



Woolworths International

International export business, exporting a broad range of own-brand products



Woolworths at Work

A B2B procurement solution that supports businesses with a streamlined shopping experience



Australian Grocery Wholesalers (AGW)

End-to-end wholesale business

B2B Supply Chain (PC3)



Primary Connect

3PL supply chain solution for Endeavour Group and other third-party customers



Statewide Independent Wholesalers (SIW)

Tasmanian wholesale and logistics business

Australian B2B

	H22 (27 WEEKS)	H21 (27 WEEKS)	CHANGE
H22 FINANCIAL METRICS			
Sales (\$m)			
B2B Food	1,426	299	376.6%
B2B Supply Chain (PC3)	553	332	66.5%
Total Australian B2B	1,979	631	213.4%
EBITDA (\$m)	69	29	145.2%
EBIT (\$m)	18	9	107.0%
EBIT to sales (%)	0.9	1.4	(48) bps

All B2B businesses reported higher sales than the prior year

PFD's sales growth improved in Q2 following the easing of restrictions in NSW and Vic with sales up on prior year

Woolworths at Work, International and AGW growth driven by product and customer diversification

B2B Supply Chain revenue increased largely due to Endeavour Group revenue; PC3 and SIW revenue also increased

EBIT of \$18m with first-time inclusion of PFD somewhat offset by higher amortisation of intangibles and selective investment

ersonal use only

countdown 

 freshchoice **superValue**



New Zealand Food

NZD	H22 (27 WEEKS)	H21 (27 WEEKS)	CHANGE
H22 FINANCIAL METRICS			
Total sales (\$m)	4,027	3,717	8.3%
EBITDA (\$m)	353	333	6.4%
EBIT (\$m)	200	194	3.3%
Gross margin (%)	25.2	25.0	16 bps
CODB (%)	20.2	19.8	41 bps
EBIT to sales (%)	5.0	5.2	(24) bps
Sales per square metre (\$) ¹	17,827	17,966	(0.8)%
ROFE (%)	8.2	8.9	(70) bps
H22 SUSTAINABILITY METRICS			
Scope 1 & 2 carbon emissions (tonnes)	27,479	31,393	(12.5)%

¹Sales per square metre has been restated to exclude non-sales area of customer fulfilment centres

New Zealand Food H22 highlights

Better everyday for a better tomorrow



Ongoing COVID response

Team-led Mental Health Appeal

Introduced recyclable ice cream and ready meal packaging

Supporting Te Reo (Maori language) on joint Maori and English labelling on packaged NZ seafood products

Digital, eCom and innovation



H22 eCom sales growth of 22.6%

Record Q2 eCom penetration of 13.9%

56 stores with eLocker and Drive solutions

Increased scan rates, mobile app, Delivery saver subscriptions

Strong growth in Cartology New Zealand

Foundations for the future



New Palmerston North DC opened

New Hilton meat plant launched

Wanaka Pick up Metro pilot opened

Maintained Voice of Supplier leadership



use stock



BIGW

BIG W

	H22 (27 WEEKS)	H21 (27 WEEKS)	CHANGE
H22 FINANCIAL METRICS			
Total sales (\$m)	2,348	2,581	(9.0)%
EBITDA (\$m)	122	224	(45.0)%
EBIT (\$m)	25	133	(81.2)%
Gross margin (%)	32.9	33.7	(83) bps
CODB (%)	31.8	28.6	326 bps
EBIT to sales (%)	1.1	5.1	(408) bps
Sales per square metre (\$)	4,323	4,430	(2.4)%
ROFE (%)	5.8	11.9	(6.1) pts
H22 SUSTAINABILITY METRICS			
Scope 1 & 2 carbon emissions (tonnes)	52,045	56,647	(8.1)%



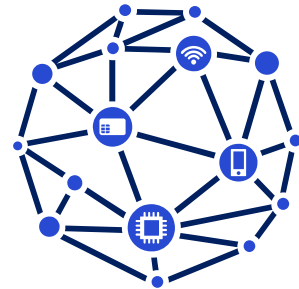
BIG W highlights

Making progress on our four key strategic priorities in H22



Good progress in building core foundations to unlock best in class availability

- Integration of demand planning capability
- Solutions mapped and scoping underway to improve availability
- Planned improvements across value chain to drive data visibility and actionable insights



Turbocharging digital experience, upholding a safe and convenient experience

- Progress on delivering digital experience initiatives including app launching in March
- Acceleration of online fulfilment capabilities in store through changes to operating model and multi skilling team
- Extension of customer reach through launch of Everyday Market



Continuing to simplify our offer to align with customer shopping missions

- Continued focus on range curation while providing value on items that matter most to families
- Competitive pricing through the smarter pricing program
- New 'Everyday Value' program launched in February



Continuing to demonstrate real care in our communities

- Continued partnership with Clontarf Academies, which employ young Indigenous men in 17 BIG W stores, with plans for 20 more in Q3
- Maintained employment of all team members during periods of store closures
- Launch and roll out of 'Toys for Joy' toy recycling program to 61 stores in the half, to be rolled out across all stores in H2

Contents

H22 Group Summary and Progress Brad Banducci	4
Group Financial Results and Capital Management Stephen Harrison	15
Business Performance Update	29
Outlook Brad Banducci	44

H2 F22 Outlook

Ongoing challenges from Omicron in H2 but strong Australian Food sales of ~5% in first 7 weeks (2-yr CAGR: ~6%)

Inflation expected to continue to trend upwards; shelf prices up 2-3% on prior year in H2 to date

BIG W sales down ~4% (2-yr CAGR: up ~6%) impacted by Omicron and strong prior year. Expecting challenging conditions but still profitable in H2

Group direct COVID costs of \$34 million in H2 to date (0.4% of sales), expected to normalise over the course of the half

Focused on returning to a consistent operating rhythm



ersonal use only

Thank you



Glossary

AGW	Australian Grocery Wholesalers
Cash realisation ratio	Operating cash flow as a percentage of Group net profit after tax before depreciation and amortisation
Comparable sales	Measure of sales which excludes stores that have been opened or closed in the last 12 months and demonstrable impact on existing stores from store disruption as a result of store refurbishment or new store openings/closures
Cost of doing business (CODB)	Expenses which relate to the operation of the business
Customer fulfilment centre (CFC)	Dedicated online distribution centres
Delivery Unlimited	Subscription service that gives customers access to free delivery on any Next Day Delivery window and three-hour Same Day Delivery windows, or reduced fees for quicker delivery options
DC	Distribution centre
Direct to boot	Where a customer places an order online and drives to a dedicated area where a team member places the order directly in the customer's boot
E2E	End-to-end
eStore	Store which utilises automation for the fulfilment of online orders
Everyday Market	An integrated online marketplace that allows customers to shop products from other Woolworths Group brands and partners alongside their groceries
Free cash flow	Cash flow generated by the Woolworths Group after equity related financing activities including dividends and repayment of lease liabilities
Funds employed	Net assets employed excluding net tax balances
MSRDC	Melbourne South Regional distribution centre
NDC	National distribution centre
Net assets employed	Net assets excluding net debt and other financial assets and liabilities
Net Promoter Score (NPS)	A loyalty measure based on a single question where a customer rates a business on a scale of zero to 10. The score is the net result of the percentage of customers providing a score of nine or 10 (promoters) less the percentage of customers providing a score of zero to six (detractors)

Glossary continued

n.m.	Not meaningful
PC3	Primary Connect third-party logistics
Pick up	A service which enables collection of online shopping orders in-store or at select locations
PPE	Personal protective equipment
RDC	Regional distribution centre
Renewals	A total store transformation focused on the overall store environment, team, range and process efficiency (including digital)
Return on Funds Employed (ROFE)	ROFE is calculated as EBIT before significant items for the previous 12 months as a percentage of average (opening, mid and closing) funds employed including significant items provisions
RT3	A new team rostering and store standards solution in Woolworths Supermarkets (Right team, right task, right time)
Sales per square metre	Total sales for the previous 12 months by business divided by average trading area
Severity rate	A safety metric which includes all team and customer injuries or illnesses (first aid through to lost time injuries, both physical and psychological) and events with potential for high severity
Scan & Go	A contactless shopping experience that allows customers to scan and pay for items as they shop without needing to use the checkout
SIW	State Independent Wholesalers
Smart Store	A store that employs technology to improve process efficiency from customers and team members
Total net debt	Borrowings less cash balances including debt hedging derivatives and lease liabilities
Voice of Customer (VOC)	Externally facilitated survey of a sample of Woolworths Group customers where customers rate Woolworths Group businesses on several criteria. Expressed as the percentage of customers providing a rating of six or seven on a seven-point scale

Glossary continued

VOC NPS

VOC NPS is based on feedback from Woolworths Rewards members. VOC NPS is the number of promoters (score of nine or 10) less the number of detractors (score of six or below)

Voice of Supplier (VOS)

A survey of a broad spectrum of suppliers facilitated by an external provider. The survey is used to provide an ongoing measure of the effectiveness of business relationships with the supplier community. VOS is the average of the suppliers' rating across various attributes scored as a percentage of suppliers that provided a rating of six or seven on a seven-point scale

3PL

Third party logistics

Other non-IFRS measures used in describing the business performance include:

- Earnings before interest, tax, depreciation and amortisation (EBITDA)
- Cash flow from operating activities before interest and tax
- Significant items
- Fixed assets and investments
- Net investment in inventory
- Free cash flow after equity related financing activities excluding dividends
- Net assets held for sale
- Net tax balances
- Closing inventory days
- Closing trade payable days
- Average inventory days
- Change in average prices
- Trading area
- Margins including gross profit, CODB and EBIT/(LBIT)
- Volume productivity metrics including transaction growth, items per basket and item growth

Disclaimer

This presentation contains summary information about Woolworths Group Limited (Woolworths Group) and its activities current as at the date of this presentation. It is sourced from and should be read in conjunction with Woolworths' other periodic and continuous disclosure announcements filed with the Australian Securities Exchange, available at www.asx.com.au. Information about Woolworths Group's financial performance is current as at the last announcement provided to the Australian Securities Exchange.

This presentation has not been audited in accordance with Australian Auditing Standards.

This presentation contains certain non-IFRS measures that Woolworths Group believes are relevant and appropriate to understanding its business. Refer to the Half-Year Results and Dividend Announcement for further details.

This presentation is for information purposes only and is not a prospectus or product disclosure statement, financial product or investment advice or a recommendation to acquire Woolworths Group shares or other securities. It has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal and taxation advice appropriate to their jurisdiction. Past performance is no guarantee of future performance.

No representation or warranty, expressed or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Woolworths Group and its related bodies corporate, or their respective directors, employees or agents, nor any other person accepts liability for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including, without limitation, any liability from fault or negligence.

This presentation may contain forward-looking statements including statements regarding our intent, belief or current expectations with respect to Woolworths Group's business and operations, market conditions, results of operations and financial condition, specific provisions and risk management practices. When used in this presentation, the words 'plan', 'will', 'anticipate', 'expect', 'may', 'should' and similar expressions, as they relate to Woolworths Group and its management, are intended to identify forward-looking statements.

Forward looking statements involve known and unknown risks, uncertainties and assumptions and other important factors that could cause the actual results, performances or achievements of Woolworths Group to be materially different from future results, performances or achievements expressed or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date thereof.