



# Endeavour Group

## F24 Results Presentation





# Overview and Group Strategy

Steve Donohue, CEO



The Brook Hotel, Mitchelton, QLD



# Acknowledgement of country



Artwork: Celebration Place by Riki Salam (Mualgal, Kaurareg, Kuku Yalanji)



# Creating a more sociable future, together





# Group highlights





## F24 at a glance - Resilience and execution

- Resilient trading performance delivers **sales growth in Retail and Hotels**
- **EBIT growth** driven by **gross margin expansion** and **cost optimisation**
- Focused strategy execution with emphasis on **streamlining and simplifying the business**
- **Disciplined capital management** and **strong cash generation** underpins **stable dividend**
- **Well positioned to perform through the cycle** despite potential near-term headwinds



# F24 financial highlights

## Revenue & earnings

**\$12.3b**

Sales

+3.6%

52W: +1.8%

**\$1.1b**

EBIT

+3.1%

52W: +1.8%

**\$512m**

NPAT<sup>1</sup>

-3.2%

52W: -4.3%

## Financial strength & capital discipline

**\$1.2b**

Operating cash flow

F23: \$767m

**108%**

Cash realisation ratio

Target: 90-110%

**3.5x**

Leverage ratio

Target: 3-3.5x

## Delivering for shareholders

**28.6c**

Earnings per share

-3.1%

**21.8c**

Dividend per share

In line with F23

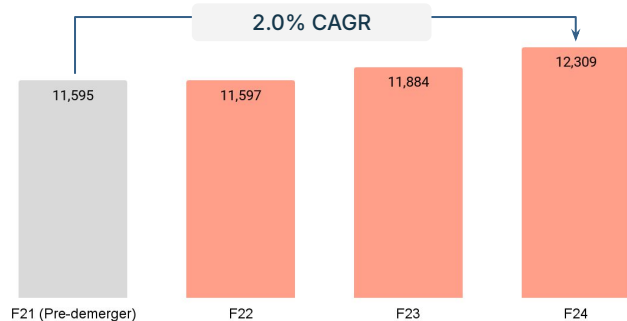
**76.3%**

Full-year dividend  
payout ratio

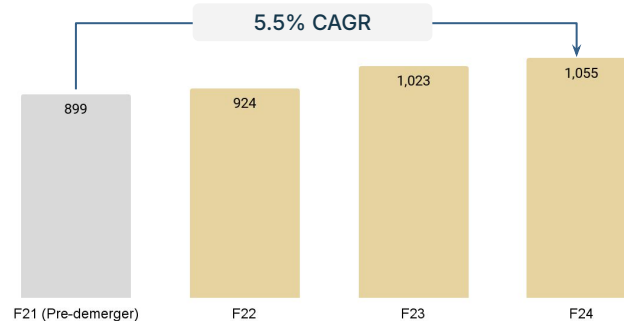


# Consistent delivery driving stable growth and returns

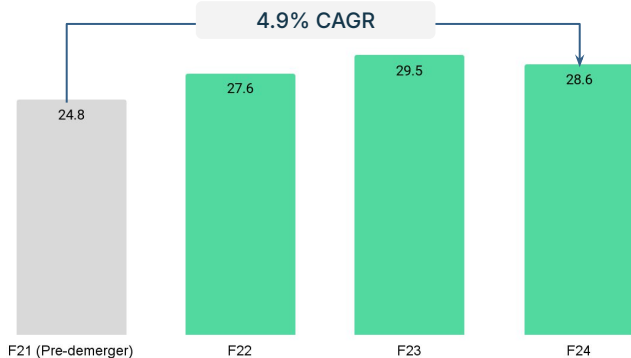
## Group Sales of \$12.3b



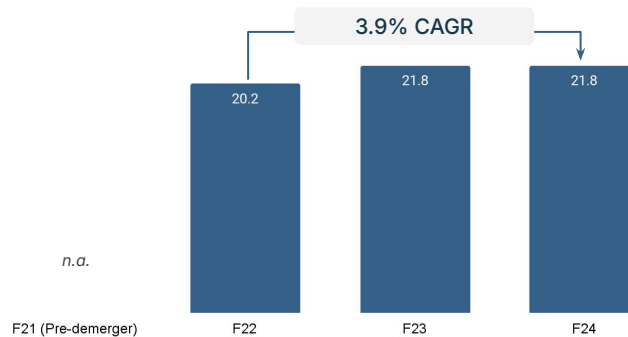
## Group EBIT of \$1.1b



## EPS of 28.6c



## DPS of 21.8c





# Delivering our strategy



Our vision is to be the leading platform enabling social occasions





# We are positioned to deliver value for our stakeholders

## Attractive business fundamentals

### Network scale

Australia's largest retail drinks and hospitality networks with scale production assets

### Trusted brands

Recognised, trusted consumer brands

### Customer understanding

One of Australia's largest and most engaged customer bases

### Financial strength

Proven track record of growth, profitability and capital returns

### Team and culture

Engaged team with a purpose-driven culture

### Licence to operate

Privileged portfolio of licences, backed by a relentless focus on compliance and responsibility

## Simple, scalable, customer-first strategy

### Create meaningful experiences for our shared social customer



Australia's #1 large format drinks retailer, and the destination for value, range and service



Australia's largest and most convenient drinks retailer



Australia's largest network of hospitality venues



Portfolio of exclusive brands driving product innovation and strong returns

### Unlock scalable solutions to drive growth



Shared customer foundations



Efficient end-to-end business



Capital allocation to drive growth

### Bring our purpose and imprint to life



One team living our purpose and values



Positive and sustainable imprint

## Creating value

### Customers

Convenience, range, value and service to create leading omnichannel experiences

### Team

Maintaining an effective and engaged team by attracting, retaining and developing talent

### Suppliers

Supporting and growing the industries in which we operate

### Community

Leaving a positive imprint on the community, people and planet

### Shareholders

Targeting shareholder value creation of 10%+ from F26<sup>1</sup>

# Delivering on our strategy scorecard commitments

## Shared customer foundations

- **Customer value:** Dan Murphy's achieved highest ever price leadership gap to nearest competitor<sup>1</sup>; value perception +26 pts ahead of competition<sup>2</sup>
- **Customer experience:** VOC +2 pts to 81 in Dan Murphy's and +1 pts to 75 in BWS; +0.2 pt to 8.7 in Hotels
- **Omnichannel engagement:** Grew digitally influenced sales; monthly active app users +12% to 0.8m

## Efficient end-to-end business

- **Optimisation:** Delivered \$100m savings in F24 from from endeavourGO; on track to reach target of \$290m+ by F26
- **Sustainable margin:** +66 bps Retail gross margin expansion; +64 bps Hotels gross margin expansion
- **One Endeavour:** Making progress on separation from Woolworths and simplifying our technology landscape

## Capital allocation to drive growth

- **Capital discipline:** Capital expenditure reduced v F23; Operating ROFE maintained (excl. One Endeavour)
- **Working capital:** Improved working capital driven by reduction in inventory; cash realisation ratio 108%
- **Portfolio optimisation:** Hotels portfolio improvements, redevelopment planning progressing

## One team living our purpose and values

- **Team Experience:** Team engagement (Voice of Team) remains strong at 72, however below F23
- **Safety:** Total Recordable Injury Frequency Rate of 10.36; remains a key focus for F25

## Positive and sustainable imprint

- **Culture of Responsibility and Compliance:** 92% of team members completed unique Leading in Responsibility training
- **44 million** customer engagements in **responsible consumption campaigns** across stores and hotels
- **219** Solar sites generating **14,690 MWh of energy** across our sites nationally



# Customer focus driving strong performance



## F24 highlights

- **5.4m My Dan's active members** (+250k), 83% scan rate and 80% bigger baskets
- Improved store **labour hour efficiency** by 5%
- **Personalised offers** deliver 29% sales uplift
- **Leading omnichannel offer** with 49% of customers visiting digital channels before shopping
- 9 net new stores, 16 renewals

**VOC 81**

(+2 vs F23)



## F24 highlights

- **'Appy Deals'** member prices launched, **increasing Monthly Active Users by 155%**
- Compelling value offers via Everyday Rewards **loyalty partnership** and **"A win's a win" campaign**
- ~500k new customers added through **ultra convenience partnerships**
- **Store format innovation** incl. **enhanced BWS Drive Thru**
- 18 net new stores, 52 renewals

**VOC 75**

(+1 vs F23)



## F24 highlights

- **\$1.8b sales** growing over 4%
- **Wine ~50% of sales mix**, with 3/4 from **premium and luxury segments**<sup>1</sup>
- **New products** drove >50% of Pinnacle growth
- **2/3rds** of portfolio comprised of **partner brands**
- **Capital light model** delivers strong returns that are accretive to Retail ROFE

**900+**  
**product awards**



## F24 highlights

- **Price benchmarking**<sup>2</sup> confirms leading value position in F&B
- **Launched pub+** loyalty app to improve guest experience
- Drove **operational and margin improvement** through AI and improved trade planning
- Executed **cashless gaming trial** launched 1 July
- **Improved portfolio** with 2 new venues and 24 renewals; 2 venue leases not renewed

**VOC 8.7**

(+0.2 pt vs F23)

# One Endeavour program update

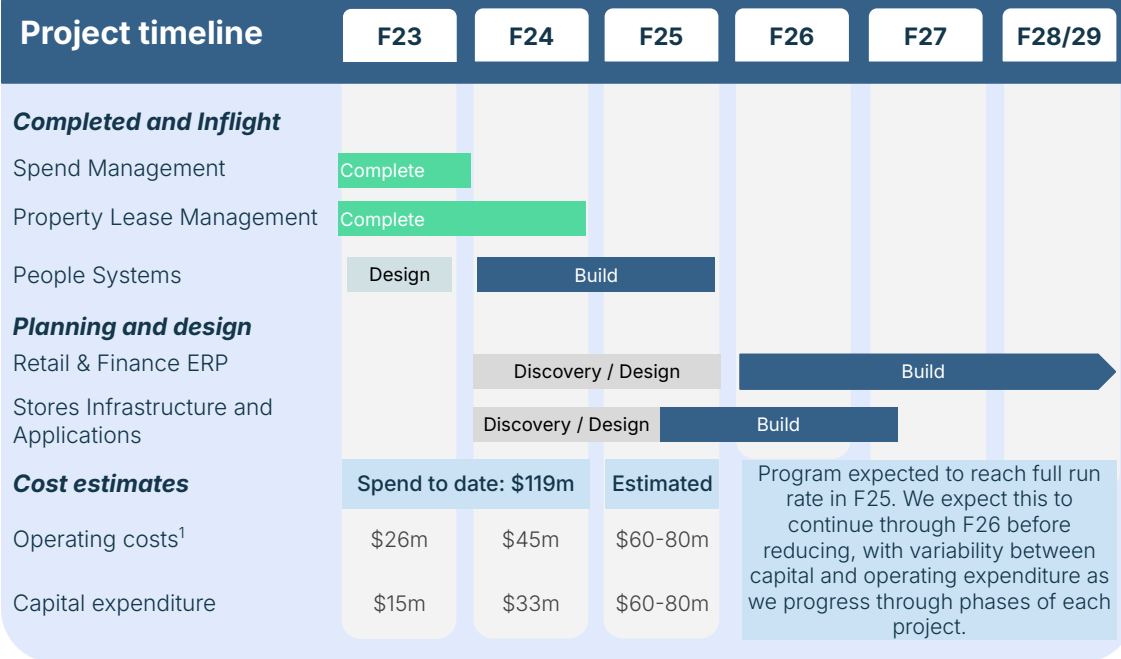


## Continuing to make progress

- **Implemented lease and spend (non trade) management systems** for the group
- **People systems** separation and consolidation on track to complete in F25
- **Stores infrastructure and applications** aiming to complete design and progress to build phase in **F25**
- **ERP** aiming to complete design by end F25

**Current capital capacity expected to be sufficient to support program funding**

## Project timeline





# Creating our positive imprint

## People



Championing individuality, human and personal rights



72% Voice of team engagement score

45% Women in senior executive positions

**Bronze Tier** Employer status in the AWEI for LGBTQ<sup>1</sup> Inclusion

## Responsibility and Community



Advocating responsible choices and supporting positive change in our communities



44m customer engagements in **responsible consumption campaigns** across stores and hotels

92% of team members trained in our unique **Leading in Responsibility training**

96% of relevant team completed unique **advanced responsible gaming training**

88% ID25 score for liquor retail mystery shopper compliance

\$6m invested into **our communities** with our customers

3 **community projects** funded through the Darwin Community Advisory Committee

## Planet



Reducing our impact on the planet



219 Solar sites generating **14,690 MWh of energy** across our sites nationally

8 **certified Sustainable Winegrowing sites** in Australia/New Zealand

99% Own Brand packaging is **reusable, recyclable or compostable**

# Group Financials

Kate Beattie, CFO





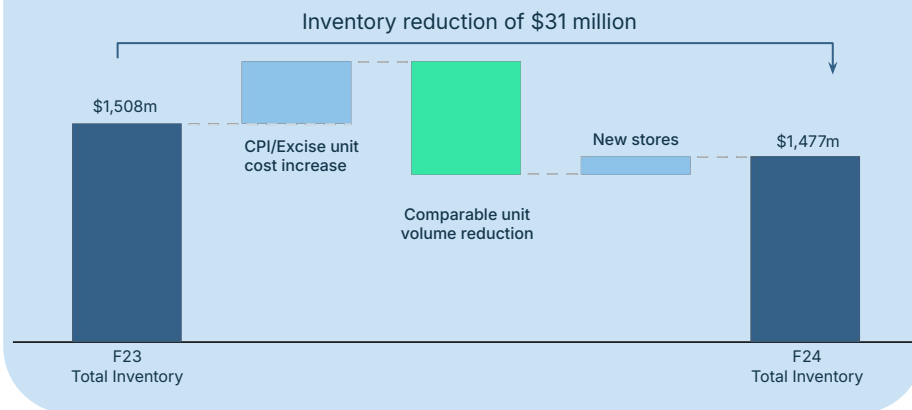
# Resilient Group financial performance

- **Sales growth** of +3.6% (+1.8% 52W)
- **Operating EBIT growth** +4.9% (+3.4% 52W) underpinned by gross profit margin expansion and cost optimisation
- **One Endeavour program** costs in line with guidance
- **Profit for the period (after income tax)** -3.2% impacted by increased lease and debt finance costs in line with guidance

<b>\$ million</b>	<b>F24</b> <i>(53 WEEKS)</i>	<b>F23</b> <i>(52 WEEKS)</i>	<b>CHANGE</b>	<b>CHANGE</b> <i>(52 WEEKS)</i>
<b>Sales</b>	<b>12,309</b>	<b>11,884</b>	<b>3.6%</b>	<b>1.8%</b>
Operating Retail EBIT	717	677	5.9%	4.7%
Operating Hotels EBIT	451	435	3.7%	1.8%
Other EBIT <sup>1</sup>	(68)	(63)	7.9%	6.3%
<b>Operating EBIT</b>	<b>1,100</b>	<b>1,049</b>	<b>4.9%</b>	<b>3.4%</b>
One Endeavour Costs	(45)	(26)	73.1%	65.4%
<b>EBIT</b>	<b>1,055</b>	<b>1,023</b>	<b>3.1%</b>	<b>1.8%</b>
Finance costs	(306)	(250)	22.4%	20.0%
<b>Profit before income tax</b>	<b>749</b>	<b>773</b>	<b>(3.1%)</b>	<b>(4.1%)</b>
Income tax expense	(238)	(244)	(2.5%)	(3.3%)
Non-controlling interests	1	0	n.a.	n.a.
<b>Profit for the period (after income tax)</b>	<b>512</b>	<b>529</b>	<b>(3.2%)</b>	<b>(4.3%)</b>

# Strong cash generation

- **Strong cash realisation ratio** of 108%
- **Improved working capital** from **lower inventory** with unit volume reduction more than offsetting COGS inflation and network expansion
- **Tax cash outflow has returned to normal** post one off timing impact in F23

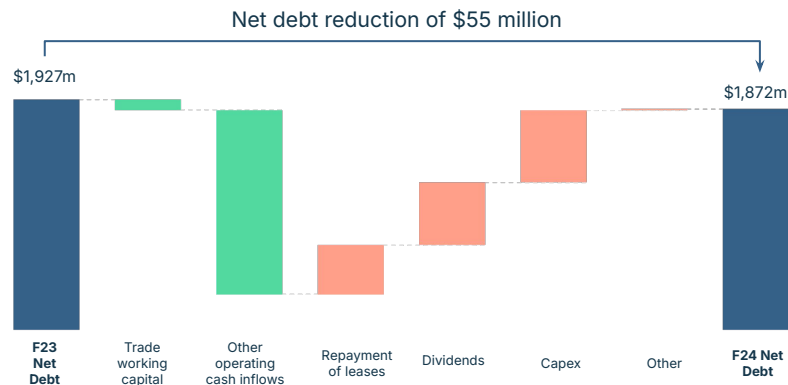


\$ million	F24 (53 WEEKS)	F23 (52 WEEKS)	CHANGE
<b>EBIT</b>	<b>1,055</b>	<b>1,023</b>	<b>32</b>
Depreciation and amortisation expenses	607	573	34
Changes in trade working capital	68	(261)	329
Changes in assets and liabilities and other non-cash items	(17)	67	(84)
Finance costs on borrowings paid	(117)	(61)	(56)
Payment for the interest component of lease liabilities	(194)	(180)	(14)
Income tax paid	(192)	(394)	202
<b>Operating cash flows</b>	<b>1,210</b>	<b>767</b>	<b>443</b>
<i>Cash realisation ratio (%)</i>	<i>108</i>	<i>70</i>	<i>38 pp</i>

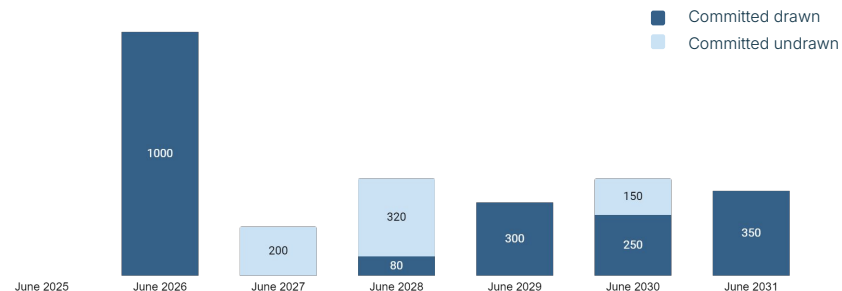
# Ample flexibility and funding capacity

- **Net debt reduced by \$55m**
- **Leverage ratio<sup>1</sup> of 3.5x** within target range and consistent with investment grade credit metrics
- Refinanced syndicated debt facility originally maturing June 2025, extending the **weighted average debt maturity to 3.8 years** (F23: 2.9 years)
- Committed **undrawn debt facilities of \$670m**
- **43% of drawn bank facilities hedged** to fixed rates
- **Weighted average cost of debt 5.2%** (F23: 4.3%)
- Assuming constant interest rates, **F25 finance costs expected to be \$310-325m**

## Net debt



## Debt maturity profile (\$ million)<sup>2</sup>



1. Leverage ratio - Net debt plus lease liabilities, divided by 12-month rolling EBITDA.

2. Excludes \$182 million loan from the Victorian government for Victorian gaming entitlements. The loan is being repaid over five years, with \$73 million paid in prior periods and \$55 million paid in the current year.



# Disciplined capital expenditure

- Total **capital expenditure \$64m lower than F23**
- Retail SIB non-recurring catch up in store IT, paused during COVID
- Fewer and more **capital light Retail renewals**
- **Pinnacle capex to reduce significantly** having completed Dorrien winery expansion (efficiency investment) in F24
- **Focused investment in fewer, larger-scale Hotels renewals** in F24, with pipeline growing into F25
- **Two new hotels in F24** vs 11 in F23
- **F25 capex expected to be \$450-500m** incl. \$60-80m for One Endeavour program costs

\$ million	F24 Capex <sup>1</sup>	F23 Capex <sup>2</sup>	Change
Stay in business	85	48	37
Renewals	43	61	(18)
Pinnacle	47	48	(1)
Network expansion	48	52	(4)
Property / Redevelopment	0	6	(6)
Digital, data & eCommerce	26	32	(6)
<b>Retail</b>	<b>249</b>	<b>247</b>	<b>2</b>
Stay in business	50	52	(2)
Renewals	77	95	(18)
Property / redevelopment	3	18	(15)
Digital, data and eCommerce	13	11	2
Network expansion	21	72	(51)
<b>Hotels</b>	<b>164</b>	<b>248</b>	<b>(84)</b>
<b>One Endeavour</b>	<b>33</b>	<b>15</b>	<b>18</b>
<b>Total Capital Expenditure</b>	<b>446</b>	<b>510</b>	<b>(64)</b>

# Retail



# Retail financial performance

- **Sales growth** of +3.4% (52W: +1.7%) delivered in softening market conditions; BWS and Dan Murphy's **comparable store sales growth** +1.1% (52W)
- **GP margin expansion** supported by product innovation and AI-driven price and promotion optimisation which funded price investments
- **High inflation** impact on costs, including award wage increase of 6.25%<sup>1</sup>
- **Offset by sustainable cost savings** delivered by endeavourGO optimisation program with savings reflected in both GP and CODB
- **Strategic investments** in AI, customer experience and network delivering strong returns in sales and margin

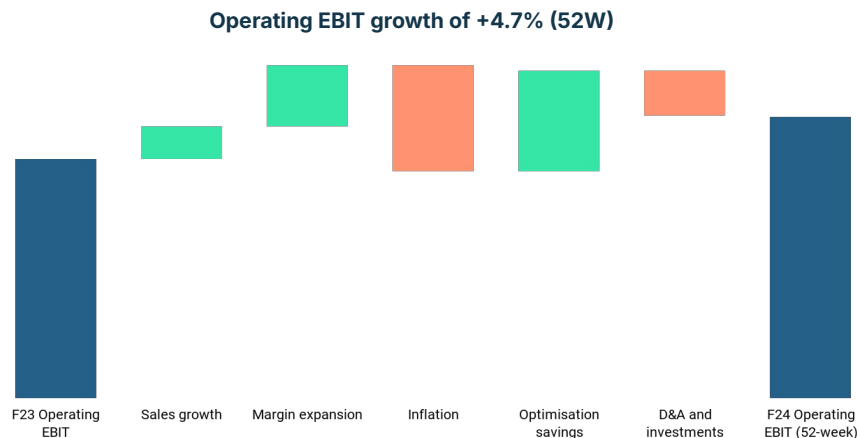


Chart is an indicative sizing of drivers of year on year movement in EBIT

\$ million	F24 (53 WEEKS)	F23 (52 WEEKS)	CHANGE	CHANGE (52 WEEKS)
<b>Sales</b>	<b>10,246</b>	<b>9,905</b>	<b>3.4%</b>	<b>1.7%</b>
<b>Operating EBITDA</b>	<b>1,033</b>	<b>973</b>	<b>6.2%</b>	<b>4.7%</b>
Depreciation and amortisation	(316)	(296)	6.8%	4.7%
<b>Operating EBIT</b>	<b>717</b>	<b>677</b>	<b>5.9%</b>	<b>4.7%</b>
One Endeavour Costs	(32)	(19)	68.4%	63.2%
<b>EBIT</b>	<b>685</b>	<b>658</b>	<b>4.1%</b>	<b>3.0%</b>
Gross profit margin (%)	24.4%	23.8%	+66bps	+65bps
Operating Cost of doing business (%)	17.4%	16.9%	+50bps	+45bps
<b>Operating EBIT to sales (%)</b>	<b>7.0%</b>	<b>6.8%</b>	<b>+16bps</b>	<b>+20bps</b>
EBIT to sales (%)	6.7%	6.6%	+4bps	+9bps
Operating ROFE (%)	15.6%	15.5%	+14bps	-3bps
ROFE (%)	14.8%	15.0%	-22bps	-36bps



# Hotels



# Hotels financial performance

- **Sales growth** (52W) of +2.3% driven by strong F&B sales, with all drivers in growth in H2; **Comparable hotel sales growth** +1.5% (52W)
- **Gaming** momentum supported by targeted investment in new product, mitigating early adoption of changes to Vic gaming hours
- **GP margin expansion** driven by F&B menu optimisation as well as improved sourcing
- **High inflation** impact to costs and leases, including award wage increase of 6.25%<sup>1</sup>
- **Emerging benefits** of labour and site cost optimisation delivered by endeavourGO
- **Investments largely capital** in nature including pub+ and renewals

## Operating EBIT growth of +1.8% (52W)

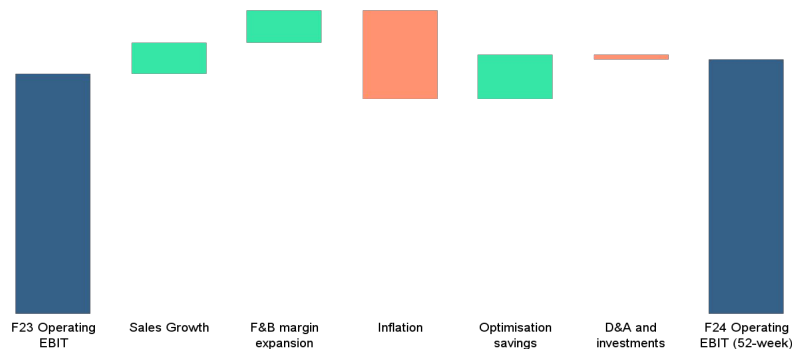


Chart is an indicative sizing of drivers of year on year movement in EBIT

\$ million	F24 (53 WEEKS)	F23 (52 WEEKS)	CHANGE	CHANGE (52 WEEKS)
<b>Sales</b>	<b>2,063</b>	<b>1,979</b>	<b>4.2%</b>	<b>2.3%</b>
<b>Operating EBITDA</b>	<b>741</b>	<b>712</b>	<b>4.1%</b>	<b>2.1%</b>
Depreciation and amortisation	(290)	(277)	4.7%	2.5%
<b>Operating EBIT</b>	<b>451</b>	<b>435</b>	<b>3.7%</b>	<b>1.8%</b>
One Endeavour Costs	(13)	(7)	85.7%	85.7%
<b>EBIT</b>	<b>438</b>	<b>428</b>	<b>2.3%</b>	<b>0.5%</b>
Gross profit margin (%)	84.8%	84.1%	+64bps	+65bps
Operating Cost of doing business (%)	62.9%	62.1%	+76bps	+77bps
<b>Operating EBIT to sales (%)</b>	<b>21.9%</b>	<b>22.0%</b>	<b>-12bps</b>	<b>-10bps</b>
EBIT to sales (%)	21.2%	21.6%	-40bps	-39bps
Operating ROFE (%)	10.3%	10.4%	-9bps	-28bps
ROFE (%)	10.0%	10.2%	-21bps	-40bps

# Good progress on our Property strategy

## Optimising our Property portfolio

### Disciplined portfolio management

- Improving portfolio quality with two acquisitions and two divestments; one further divestment post balance date
- Progressing our strong renewal pipeline focused on larger scale renewals
- F24 renewals performing well, on track to deliver above 15% ROI<sup>1</sup>

### Unlocking value from our property portfolio

- Redevelopment plans for priority sites progressing; several at Development Application lodgement stage
- Continue to assess capital partnership options

The Morris (WA)



Before

Dublin Docks (QLD)



After





# Promising early returns from recent investments

## The Manly Hotel (Brisbane, QLD)



- Venue **tailored for local demographic** with updated facade, renovated front bar, sports bar, gaming room, bistro and new courtyard
- Completed in April 2024, **early performance promising** with gaming revenue up ~50% and F&B up ~200%
- **Now 33rd highest performing F&B venue nationally** up from ~200 in F23

## The Gap Tavern (Brisbane, QLD)



- **15+ years** since last renewal
- Renewal focused on **upgrading dining room, bar and gaming facilities**
- **Completed in early F24** with gaming revenue up ~40% and F&B up ~40%

## The Brook Hotel (Brisbane, QLD)



- **Whole of venue redevelopment including new Dan Murphy's** completed in May 2023, **accommodation (new build)** completed in September 2023
- 12 months since launch, performance remains strong, with total sales up 300%
- **Top 3 F&B venue and top 10 accommodation venue nationally**

# Outlook



# F25 priorities



## Maximise returns from existing asset base and grow network

- Maintain price competitiveness, grow new stores and comparable store sales, maintain EBIT margins



## Accelerate delivery of our strategy

- Progressing towards unlocking the \$150m EBIT opportunity, outlined at the Hotels Investor Day in December 2023, by 2028 with disciplined capital deployment and operational optimisation



## Further streamline and simplify our business

- Continue delivering on our F26 cumulative optimisation savings target of \$290m+



## Progress our separation from Woolworths

- Complete implementation of People Systems, move to build phase on Store Systems and complete design for ERP



## Unlock asset value with disciplined capital management

- Accelerate our efforts to unlock the full value of our asset and business portfolio



## Safeguard our licence to operate

- Continue to build our culture of safety, compliance and responsibility and continue delivering our 2030 sustainability strategy



# F25 outlook

- Early underlying sales momentum improving
- Price leadership and value focus attracting an increasingly value-conscious consumer
- Looking ahead to key H1 trading events as the go-to brands and venues for social occasions
- Responding to cost inflation by tightly managing CODB
- Structural resilience, high cash generation and strong balance sheet positions us to deliver through the cycle



First 7 weeks trading in H1 F25<sup>1</sup>:

- **Retail sales** +0.6%
- **Hotels sales** +2.0%

# Committed to shareholder value creation

*per our Strategy Scorecard*

## Revenue

Grow revenue at or above market

## Earnings

Mid-to-high single digit EBIT growth

Sustainably Grow margin

## Capital discipline

Cash conversion ratio of 90-110%

Expand ROFE

## Financial strength

Maintain lease-adjusted leverage<sup>2</sup> of 3.0-3.5x

## Shareholder returns

High single-digit EPS growth

Dividend payout ratio 70-75%

Targeting  
long-term  
shareholder value  
of 10%+ per year  
from F26<sup>1</sup>

# Q&A

**Steve Donohue**  
Chief Executive Officer

**Kate Beattie**  
Chief Financial Officer



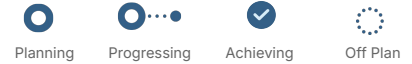


# Appendix





# Our strategy scorecard



Notes:

1. Price leadership based on Endeavour Group internal price index; value perception based on Ergo Liquortracker survey.
2. Sum of EPS growth and dividend yield; Assuming stabilised interest rates and inflation environment.
3. Net debt plus lease liabilities divided by 12-month rolling EBITDA.

# Capital management framework supports growth and shareholder returns

Operating cash flow (90-110% cash realisation)



Targeting investment grade credit metrics



Dividends  
**70-75%**  
target full-year NPAT  
payout ratio

Lease liability  
repayment

Sustaining CAPEX

> Stay-in  
business

> One Endeavour  
Technology

> Renewals

Cash and balance sheet management



Growth  
CAPEX

> Organic and  
inorganic

Surplus  
Cash

> Return to  
shareholders

Deliver strong shareholder value creation, targeting



> Sales ahead of market

> EBIT growth ahead of  
sales

> Sustainable value  
creation

- Free cash flow deployed to dividends, capex, and debt reduction or returned to shareholders
- Growth capex return hurdles are risk weighted, with low risk investment hurdle of 15% ROI<sup>1</sup>
- Targeting leverage of 3.0-3.5x<sup>2</sup>

# One Endeavour technology program overview



## Separate and simplify our technology landscape

- > Separating our Retail business from **Woolworths grocery and general merchandise technology**
- > Largest systems include **ERP, Stores Infrastructure and Applications, and People Systems**
- > **Simplifying** our technology landscape into fewer **common core systems across our business**
- > Enabling **simplified processes** and **automation** to **drive efficiency**
- > **Resulting data platform** will enable insights and future growth, including AI

ERP

Establishing group-wide, fit-for-purpose core systems

Stores

Creating standalone stores network, asset protection and store applications

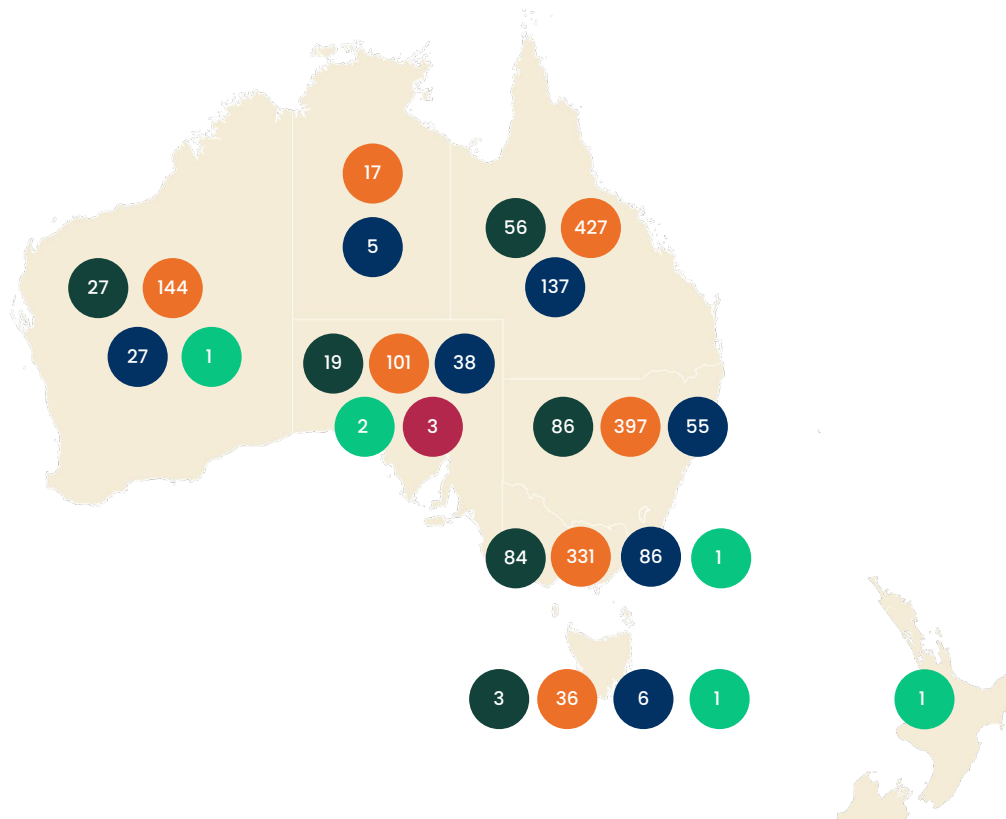
People Systems

Group-wide HR, recruitment, time & attendance, and training systems

# Network <sup>1</sup>

## Key:

- Dan Murphy's
- BWS
- Hotels (incl clubs)
- Wineries
- Bottling facilities



**275** +9  
Dan Murphy's stores<sup>2</sup>

**1,453** +18  
BWS stores

**354**  
Hotels (incl. managed clubs)

**6**  
Wineries

**3**  
Bottling facilities



# Group sales composition

	F24 <sup>1</sup>	F23	CHANGE
BWS and Dan Murphy's	81.2%	81.1%	9 bps
Specialty <sup>2</sup>	2.1%	2.3%	-17 bps
Gaming	6.7%	6.8%	-11 bps
Bars	5.1%	5.0%	8 bps
Food	3.8%	3.7%	8 bps
Accommodation	0.8%	0.8%	2 bps
Other Hotels	0.3%	0.3%	2 bps
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	

1. 52-week basis.

2. Specialty includes Jimmy Brings, Langtons, Shorty's Liquor, Vinpac and Pinnacle Drinks external sales.

# Group financial performance

\$ million	F24 (53 WEEKS)	F23 (52 WEEKS)	CHANGE	CHANGE (52 WEEKS)
<b>Sales</b>				
Retail	10,246	9,905	3.4%	1.7%
Hotels	2,063	1,979	4.2%	2.3%
<b>Total sales</b>	<b>12,309</b>	<b>11,884</b>	<b>3.6%</b>	<b>1.8%</b>
<b>Profit for the period</b>				
Operating Retail EBIT	717	677	5.9%	4.7%
Operating Hotels EBIT	451	435	3.7%	1.8%
Other EBIT	(68)	(63)	7.9%	6.3%
<b>Operating EBIT</b>	<b>1,100</b>	<b>1,049</b>	<b>4.9%</b>	<b>3.4%</b>
One Endeavour Costs	(45)	(26)	73.1%	65.4%
<b>Total EBIT</b>	<b>1,055</b>	<b>1,023</b>	<b>3.1%</b>	<b>1.8%</b>
Finance costs	(306)	(250)	22.4%	20.0%
<b>Profit before income tax</b>	<b>749</b>	<b>773</b>	<b>(3.1%)</b>	<b>(4.1%)</b>
Income tax expense	(238)	(244)	(2.5%)	(3.3%)
Non-controlling interests	1	-	n.a.	n.a.
<b>Profit for the period (after income tax)</b>	<b>512</b>	<b>529</b>	<b>(3.2%)</b>	<b>(4.3%)</b>
<b>EBIT Margin</b>				
Operating Retail EBIT margin (%)	7.0%	6.8%	+16bps	+20bps
Operating Hotels EBIT margin (%)	21.9%	22.0%	-12bps	-10bps
Operating EBIT margin (%)	8.9%	8.8%	+11bps	+14bps

# Balance sheet

\$ million	F24 30 JUNE 2024	F23 25 JUNE 2023	Change
Trade working capital	725	778	(53)
Lease assets	3,201	3,197	4
Property, plant and equipment	2,234	2,095	139
Intangible assets	4,274	4,260	14
Other liabilities (net)	(710)	(731)	21
<b>Funds employed</b>	<b>9,724</b>	<b>9,599</b>	<b>125</b>
Tax liabilities (net)	208	162	46
Other (assets)/liabilities (net)	(39)	(60)	21
Lease liabilities	3,913	3,897	16
Net debt	1,872	1,927	(55)
Equity	3,770	3,673	97
<b>Total funding and tax</b>	<b>9,724</b>	<b>9,599</b>	<b>125</b>
<b>Operating Return on funds employed (ROFE) (%)<sup>1</sup></b>	<b>12.1</b>	<b>12.1</b>	<b>+2bps</b>
<b>Return on funds employed (ROFE) (%)</b>	<b>11.6</b>	<b>11.8</b>	<b>-22bps</b>

1. Operating ROFE excludes the impact of the One Endeavour Technology (OET) program.

# Cash flow

\$ million	F24 (53 WEEKS)	F23 (52 WEEKS)	CHANGE
<b>EBIT</b>	<b>1,055</b>	<b>1,023</b>	<b>32</b>
Depreciation and amortisation expenses	607	573	34
Changes in trade working capital	68	(261)	329
Changes in assets and liabilities and other non-cash items	(17)	67	(84)
Finance costs on borrowings paid	(117)	(61)	(56)
Payment for the interest component of lease liabilities	(194)	(180)	(14)
Income tax paid	(192)	(394)	202
<b>Operating cash flows</b>	<b>1,210</b>	<b>767</b>	<b>443</b>
Payments for property, plant and equipment and intangible assets	(419)	(408)	(11)
Payments to acquire businesses, net of cash acquired	(26)	(110)	84
Repayment of lease liabilities	(307)	(280)	(27)
Dividend paid	(390)	(394)	4
Other	(10)	(2)	(8)
<b>Free cash flow</b>	<b>58</b>	<b>(427)</b>	<b>485</b>
<i>Cash realisation ratio (%)</i>	<i>108</i>	<i>70</i>	<i>38 pp</i>



# Historical financial performance<sup>1</sup>

	Pre COVID-19				COVID-19				COVID-19 unwind / Post COVID-19			
	H1 F19	H2 F19	H1 F20	H2 F20	H1 F21	H2 F21	H1 F22	H2 F22	H1 F23	H2 F23	H1 F24	H2 F24
<b>Retail</b>												
Sales (\$M)	4,564	3,889	4,777	4,509	5,690	4,488	5,657	4,429	5,446	4,459	5,583	4,491
Operating EBIT	316	222	338	231	419	250	463	210	424	253	449	260
<b>Operating EBIT Margin(%)</b>	<b>6.9%</b>	<b>5.7%</b>	<b>7.1%</b>	<b>5.1%</b>	<b>7.4%</b>	<b>5.6%</b>	<b>8.2%</b>	<b>4.7%</b>	<b>7.8%</b>	<b>5.7%</b>	<b>8.0%</b>	<b>5.8%</b>
<i>One Endeavour Costs</i>							(2)	(6)	(6)	(13)	(13)	(18)
EBIT	316	222	338	231	419	250	461	204	418	240	436	242
EBIT Margin (%)	6.9%	5.7%	7.1%	5.1%	7.4%	5.6%	8.1%	4.6%	7.7%	5.4%	7.8%	5.4%
<b>Hotels</b>												
Sales (\$M)	865	775	919	401	667	750	680	831	1,056	923	1,084	941
Operating EBIT	207	144	227	-52	122	138	121	194	260	175	265	178
<b>Operating EBIT Margin (%)</b>	<b>23.9%</b>	<b>18.6%</b>	<b>24.7%</b>	<b>-13.0%</b>	<b>18.3%</b>	<b>18.4%</b>	<b>17.8%</b>	<b>23.3%</b>	<b>24.6%</b>	<b>19.0%</b>	<b>24.4%</b>	<b>18.9%</b>
<i>One Endeavour Costs</i>									(4)	(3)	(5)	(8)
EBIT	207	144	227	(52)	122	138	121	194	256	172	260	170
EBIT Margin (%)	23.9%	18.6%	24.7%	-13.0%	18.3%	18.4%	17.8%	23.3%	24.2%	18.6%	24.0%	18.1%

# Summary of forward looking statements

Area	Description
<b>Group optimisation</b>	We are targeting cumulative optimisation savings of \$290 million+ by F26, with \$190 million delivered as at end F24, to mitigate inflationary pressures and enable continued investment in line with strategy.
<b>Effective tax rate</b>	We expect the F25 full year effective tax rate to be in the range of 31-32%.
<b>Finance costs</b>	F25 finance costs are expected to be within the range of \$310 - \$325 million, based on interest rates current at the date of this presentation.
<b>Capital expenditure</b>	Capital expenditure in F25 is anticipated to be between \$450-500 million, including One Endeavour program capital.
<b>One Endeavour</b>	Refer to One Endeavour program guidance provided on page 14.
<b>53rd trading week</b>	F24 was a 53-week reporting period, and our H2 F24 results include an extra week of trading. Growth rates in F25 will be impacted with a 52-week year being compared to a 53-week year.

# Comparative figures

## Normalised 52-week Equivalent F19 Information, Equivalent F20 Information and 52-week F24 Information

Woolworths' Drinks and Hotels businesses were transferred to, and merged with, Endeavour Group Limited on 2 February 2020 (Restructure) and 4 February 2020 (Merger), respectively. Prior to this only the results of Endeavour Group Limited, previously known as Pinnacle Liquor Group Pty Limited, were included. To enhance comparability against pre COVID-19 periods, a Normalised 52-week Equivalent F19 period and an Equivalent F20 period are referenced.

**Normalised 52-week Equivalent F19 Information** relates to the results of what was previously known as Woolworths' Drinks and Hotels businesses for the 52-week period ended 23 June 2019.

This information has been sourced from the data used in the F19 Woolworths Group Limited Annual Report, adjusted to include transactions to other Woolworths Group controlled entities that were previously classified as intercompany (pre Demerger) and remove the impact of the 53rd week in F19 from 24 to 30 June 2019.

**Equivalent F20 Financial Information** relates to the results of what was previously known as Woolworths' Drinks and Hotels businesses for the full 52-week period ended 28 June 2020, rather than only after the Restructure and Merger. This information has been sourced from the data used in the F20 Woolworths Group Limited Annual Report, adjusted to exclude consolidation adjustments not applicable to Endeavour Group on a standalone basis.

The financial year 2023 (F23) comprised 52 weeks, while financial year 2024 (F24) comprised 53 weeks. To enhance comparability against F23, comparatives have been stated on a like-for-like basis using 52-week F24 information where relevant.

**52-week F24 Financial Information** relates to the financial results for the 52-week period ended 23 June 2024, removing the impact of the 53rd week in F24 from 24 to 30 June 2024.

# Glossary

Term	Description
CAGR	Compound annual growth rate
Cash realisation ratio	Operating cash flow as a percentage of Group profit for the year after income tax but before depreciation and amortisation
Cost of doing business (CODB)	Expenses which relate to the operation of the business
eCommerce	Online channels including but not limited to store websites, apps and other digital platforms
Free cash flow	Cash flow generated by the Group after equity related financing activities including dividends and repayment of lease liabilities
Funds employed	Net assets excluding net debt, lease liabilities, other financing-related assets and liabilities and net tax balances
Gaming	Refers to the operation of Electronic Gaming Machines
My Dan's active member	My Dan's active members are the number of unique members who have transacted in the last twelve months
n.m.	Not meaningful
Net debt	Borrowings less cash and cash equivalents and excluding the impact of unamortised borrowing costs
Net Promoter Score (NPS)	A loyalty measure based on a single question where a customer rates a business on a scale of zero to ten. 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).
Online penetration	Online penetration is calculated as total online sales as a percentage of total Retail sales for the same time period
Price index	An index comparing Dan Murphy's pricing to selected competitors. Competitor product pricing information is sourced by Endeavour through a number of channels, mostly via external providers. Pricing is reviewed on a product by product basis against many different suppliers. Product comparisons are weighted by Endeavour's volume mix to create a weighted index. Higher volume lines will have a bigger impact on the index than smaller lines
Return on Funds Employed (ROFE)	ROFE is calculated as EBIT for the previous 12 months as a percentage of 13 month average adjusted funds employed, where adjusted funds employed refers to funds employed adjusted to exclude deferred taxes on indefinite life intangible assets.
Operating EBIT / ROFE / CODB	Operating EBIT/ROFE/CODB excludes the impact of the One Endeavour Technology program
VOC NPS	VOC NPS is based on feedback from Everyday Rewards members (for BWS) or My Dan's members (for Dan Murphy's). VOC NPS is the number of promoters (score of nine or 10) less the number of detractors (score of six or below)



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

This presentation contains certain non-IFRS measures that Endeavour Group believes are relevant and appropriate to understanding its business. Refer to Endeavour Group's 2024 Full-year Financial Report issued on 26 August 2024 for further details. F19 information is based on a normalised 52-week equivalent in F19.

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The release of this presentation has been authorised by the Board.

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