



# Investor Days

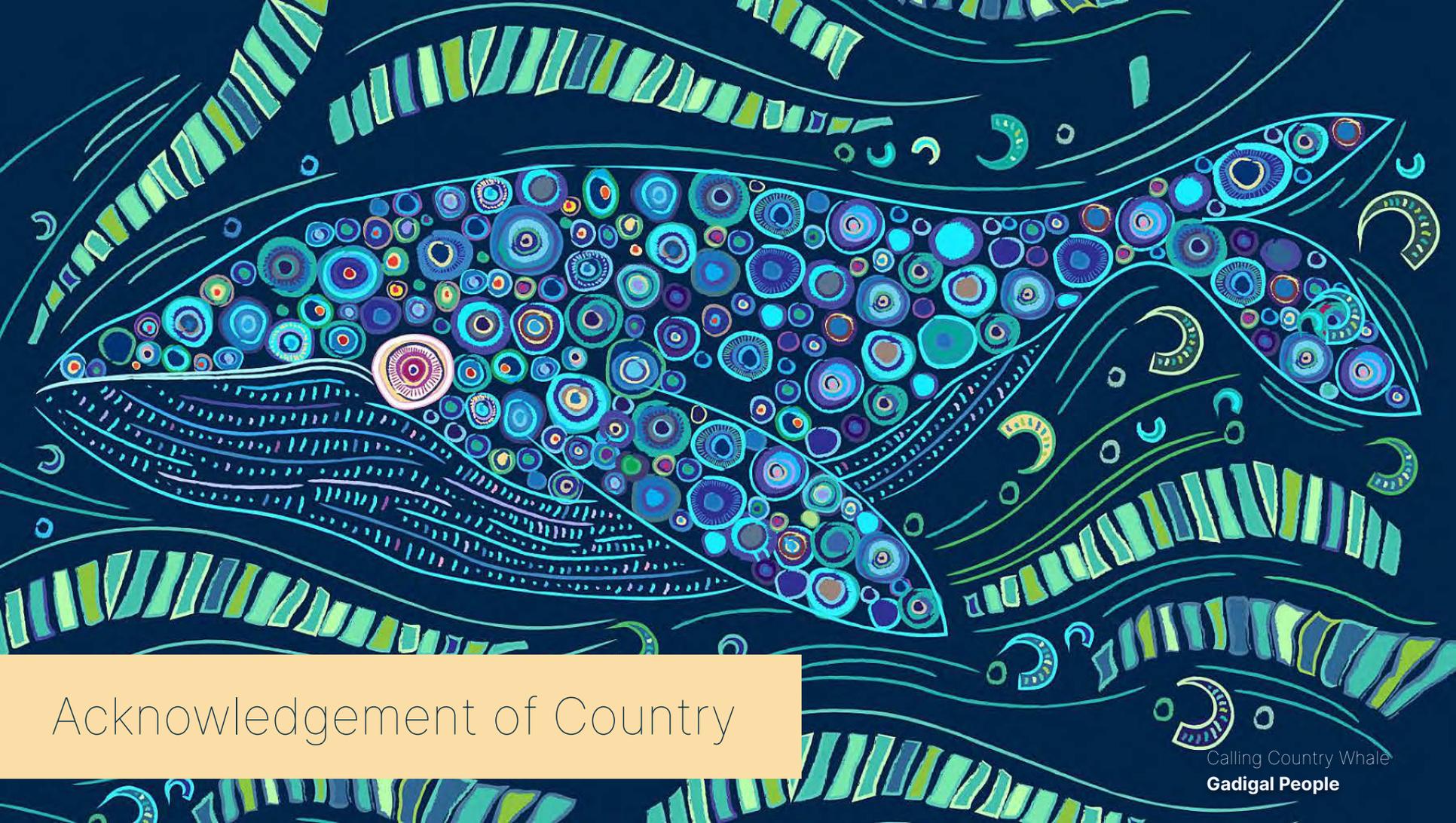
26 - 27 May 2022  
Day One



# Introduction to Endeavour Group

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Steve Donohue  
Chief Executive Officer



# Acknowledgement of Country

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## Our Values

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We're real

We're  
inclusive

We're  
responsible

# Creating a more sociable future together

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## Our Ways of Working

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We work  
with spirit

We're team  
players

We endeavour  
for better

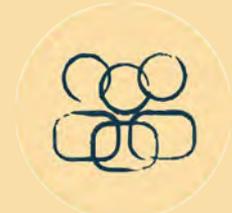


# Commitment to our imprint



## Responsibility and Community

Advocating responsible choices and supporting positive change in our communities



## People

Championing individuality, human and personal rights



## Planet

Reducing our impact on the planet

# This is Endeavour Group

## Large and engaged customer base

### Large customer base



### Highly engaged



### Across a range of social occasions



**F21 Financials:**

## Complementary collection of assets

### Brands



### Digital platforms

endeavour X

### Network & licenses



### Production



**\$11.6b**

**Sales**

## Pivotal role in our industry

### Support suppliers and partners



### Provide services



### Lead in responsibility

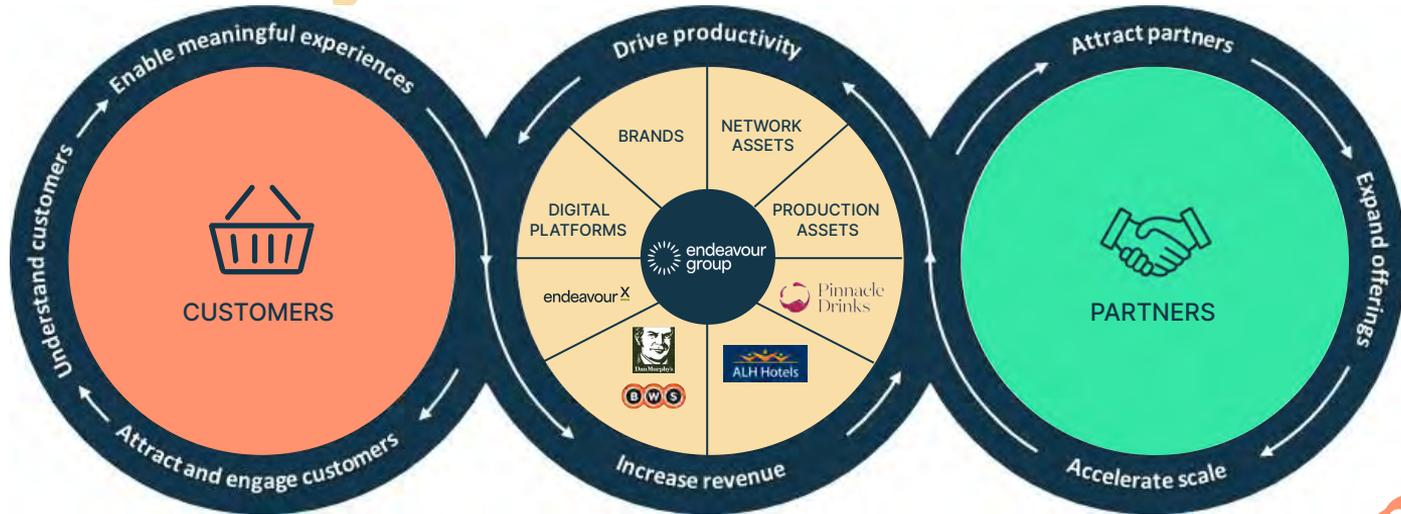


**\$899m**

**EBIT**

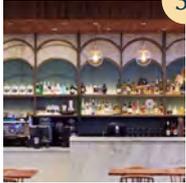
Note: Customer data points relate to our Retail brands; all data is either as at Q3 F22 or for Q3 F22 YTD, unless otherwise stated.

# Our vision is to be the leading platform enabling social occasions



# We're well positioned to achieve this vision through our combined retail and hotels businesses

3. Decide to head into the Forest Hotel to watch the Sunday footy, and grab an afternoon Pinnacle wine at the bar



4. Try your luck in the newly renovated gaming room or take a punt on the football result by joining the local tipping club



5. Order and pay for dinner using the me&u app, prepared by the hotel's passionate chefs



6. Notice on a media screen that your favourite gin is on special and remind yourself to pick that up before heading home



2. Order that wine, delivered on demand by Jimmy Brings drivers, from the Forest Dan Murphy's



1. Receive a personalised email from My Dan's, with a recommendation on a favourite wine



The Forest Hotel and attached Dan Murphy's store



Our combined (and often attached) Retail and Hotels businesses enable us to deliver superior customer experience and value from a single license

7. At the end of the night receive an email asking for feedback, with a chance to win a gift card



# We have started the journey to achieving our vision

## Where we've been

Stood up Endeavour as an independent entity while maintaining momentum in the business

## Where we are now

Building foundations for future growth and seeding innovation

## Where we're going

Driving ongoing growth in our core business, and using our end-to-end platform to explore new growth potential in broader social occasions

# Where we've been: Maintained momentum while standing up Endeavour

## Grown customer reach

- Grown My Dan's active members by ~20% in the last 12 months (to end Q3 F22)
- Dan Murphy's VOC up 1pt to 79 & BWS VOC up 3pts to 74 (Q3 F22 vs. Q3 F21)
- Hotels external customer online reviews up 0.1pts to 8.4 (Q3 F22 vs. Q3 F21)

## Grown digital engagement

- Rolled out My Dan's Guarantee; scan rate ~70% (March F22 average)
- Completed BWS Cooler's third and most successful year
- Progressed hotel digitalisation including trialling a digital wallet, rolling-out me&u and introducing facial recognition technology in all SA hotels

## Enhanced and expanded our network

- Accelerated roll-out of trend leadership e.g. no/low alcohol
- Rolled out 26 new stores and 62 store renewals (Q3 F22 YTD)
- Acquired 5 hotels and completed 30 hotel renewals; renewed or upgraded over 2,000 EGMs, 78 gaming rooms made Covid safe (Q3 F22 YTD)
- Expanded our premium wine business with the acquisition of Josef Chromy

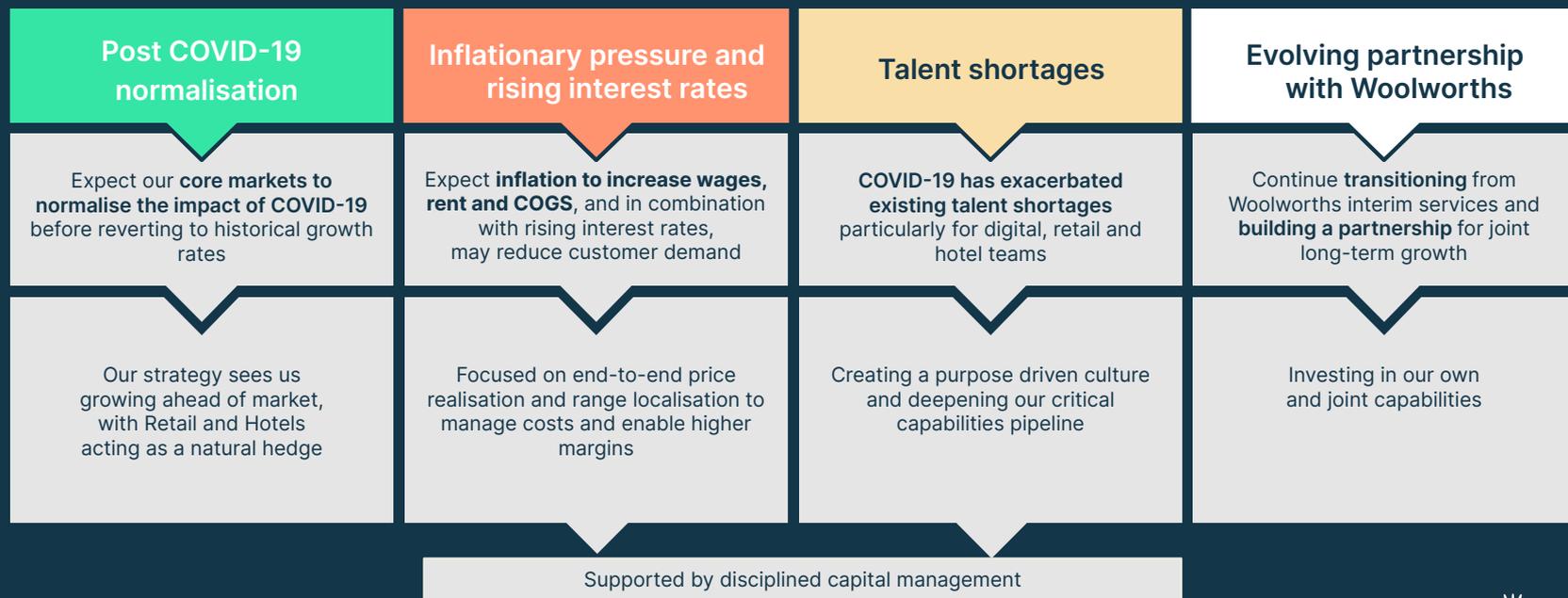
## Optimised across the group

- Successfully implemented one of the largest demergers in Australian history
- Brought Retail and Hotels together as one business enabling social occasions
- Achieved solid F21 and H1 F22 results, delivering +30bps increase in EBIT margin H1 F22 vs. H1 F21

## Continuously focused on team and sustainability

- Launched inaugural Voice of Team survey
- Released our first Sustainability Strategy outlining 11 goals and 34 commitments aligned with the UN's Sustainable Development Goals

# Where we are now: Managing short-term imperatives



# Where we are now: Building the foundations to deliver our vision

## Step-change digital engagement

- Enable discovery in Dan Murphy's through personalised My Dan's offers and Dan's Daily content in app
- Grow BWS On tAPP to become a market-leading convenience app
- Relaunch the Hotels membership program as digital front door to our hotels



## Enhance and expand our network

- Continue to optimise our offer in the ~2,000 communities we serve by expanding our network of stores and hotels, and enhancing customer experience via our renewal programs



## Optimise the Group

- Unlock value through our end-to-end group optimisation program, enabled by investment in advanced analytics capability
- Embark upon a multi-year technology transition



Continuous focus on customer, team and sustainability

# Where we are now: Seeding innovation

## Innovative customer offerings

- Enhancing Hotels' digital experience through frictionless digital booking, ordering, payment, and gaming experiences



- Expanding Jimmy Brings' on-demand offering and FLIP's fulfilment service for BWS and Dan Murphy's



- Expanding our B2B business, including customer events and gifting, as we return to a post-COVID normal



## Driving trend creation and brand innovation

- Driving innovation to create the next trends in the market
- Building trusted brands within our portfolio through our group capabilities
- Leveraging the Group's store footprint to deliver growth in the brand portfolio, and unlocking growth within exports



Pinnacle  
Drinks



PARAGON  
WINE ESTATES

## Developing partnerships: Retail Media

- Retail Media is a new capability within merchandising
- It will leverage our extensive digital and data assets and capabilities to deliver great campaigns for our suppliers
- We will utilise our extensive network coverage and digital assets to reach customers in targeted and meaningful ways



endeavour  
group  
Retail Media

# Where we're going: Bringing our strategy to life

## Leading customer offer

- We have a rich understanding of our existing and next generation of customers
- We create leading customer brands, experiences, and product trends
- We are growing the ways in which we enable social occasions



Market share of social occasions ↑

## Efficient end-to-end business

- We continuously grow EBIT ahead of sales by optimising end-to-end and building structural resilience into our margin, supported by our advanced analytics capability
- Our businesses are enabled by a future-focused, scalable and flexible tech platform



EBIT % of sales ↑

## Partnerships that grow our industry

- We have expanded our partner services for Retail and Hotels, with a retail media business as the cornerstone
- We are supported by strategic partnerships; our relationship with Woolworths is one of mutual value creation



VOS ↑

## One team living our purpose and values

- We have created a culture that lives our purpose of creating a more sociable future together
- We are attracting and developing our talent in line with our Group's growth ambition
- We are retaining our key talent through an enhanced team experience



VOT ↑

## Positive and sustainable imprint

- We drive customer trust by leaving a positive and sustainable imprint on our communities, people and planet
- Our reputation for leaving a positive imprint has earned us the right to play in new sectors



Meeting our Sustainability commitments

# Our purpose, vision and strategy: Delivering strong returns





Breakfast Creek Hotel, Brisbane, QLD

# Capital Management

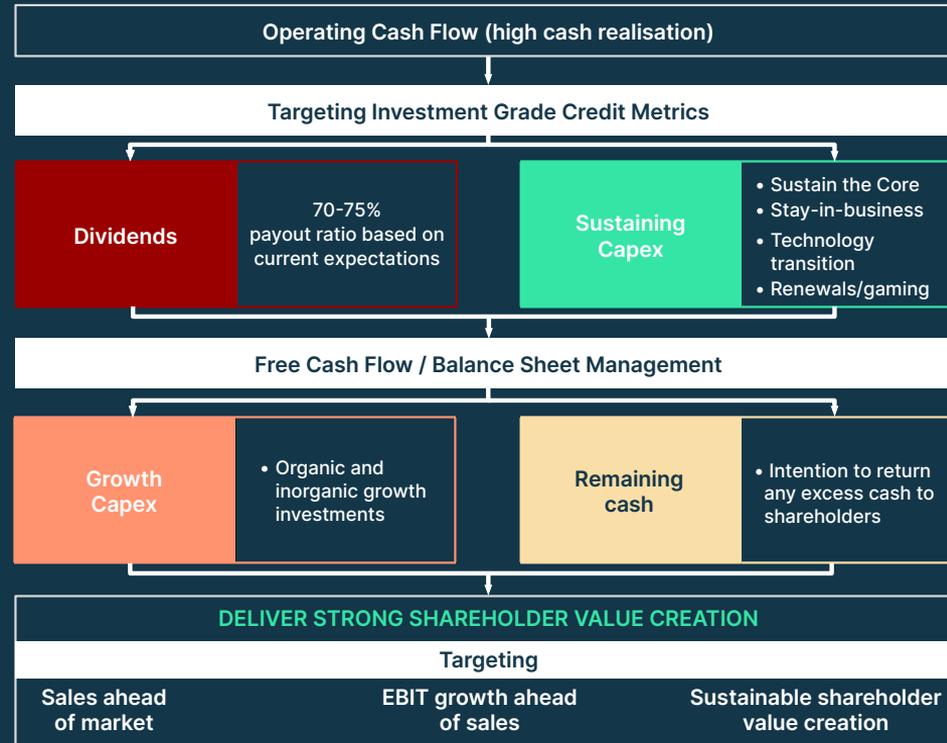
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Shane Gannon  
CFO

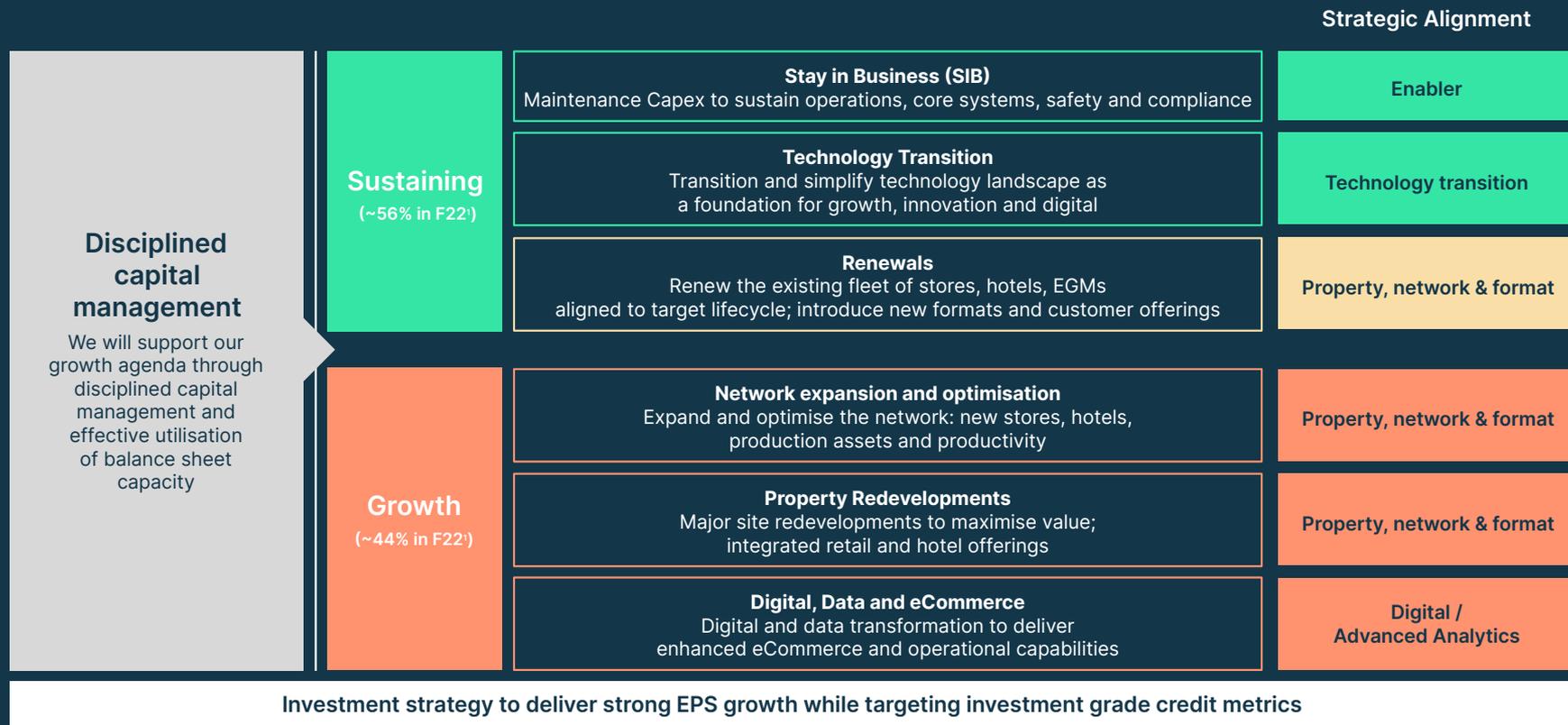
# Our capital management framework supports the growth and delivery of strong shareholder returns

Strong free cash flow deployed in line with our capital management framework

1. Target outcomes consistent with investment grade credit metrics
2. Solid shareholder dividend distributions
3. Capex prioritised to deliver a balance of short and long term returns
4. Disciplined approach to organic and inorganic investments



# Our capital allocation aligns to our strategic priorities



1. F22 expectations.

# Sustaining Capex

	Stay In Business	Technology Transition	Renewals		
<b>Focus</b>	Maintenance capex to sustain operations, core systems, safety and compliance	Transition and simplify technology landscape as a foundation for growth, innovation and digital	Renew the existing fleet of stores, hotels, EGMs aligned to target lifecycle; introduce new formats and customer offerings		
<b>Return time frame</b>	Enabler	Enabler	Short-term		
<b>Status and expectations</b>	In line with previous years; efficiencies targeted through procurement and lifecycle management	Initiation phase for multi-year transition. F23 focused on people system	Whilst sustaining in nature, we target <b>15%</b> ROI from renewal capex through new formats, EGM technology, enhanced range and high growth sites		
			<table border="1"> <thead> <tr> <th>Retail</th> <th>Hotels</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> <li>• Targeting ~7 year renewal cycle</li> <li>• Balanced program targeting a mix of growth opportunities and aged / end of life stores</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>• Emerging venue renewal strategy targeting high return opportunities</li> <li>• Targeting ~5-7 year average age EGM</li> </ul> </td> </tr> </tbody> </table>	Retail	Hotels
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<b>Indicative F23 Plan</b>	\$80 - 100 million	WIP	\$30 - 50 million	\$90 - 110 million	

\$200m - \$260m Sustaining capex per annum

# Growth Capex

	Network expansion and optimisation	Property redevelopments	Digital, data and eCommerce				
Focus	Expand and optimise the network: new stores, hotels, production assets and productivity	Major site redevelopments to maximise value; integrated retail and hotel offerings	Digital and data transformation to deliver enhanced eCommerce and operational capabilities				
Return time frame	Short-term	Long-term	Hybrid short and long-term				
Status and expectations	<table border="1"> <thead> <tr> <th>Retail</th> <th>Hotels</th> </tr> </thead> <tbody> <tr> <td>Targeting 20-30 new stores</td> <td>Hotel acquisitions when strategic-fit opportunities arise</td> </tr> </tbody> </table>	Retail	Hotels	Targeting 20-30 new stores	Hotel acquisitions when strategic-fit opportunities arise	Planning and feasibility phase. Likely ramp up in 2024-26	endeavourX program well established in Retail; emerging in Hotels  Growing advanced analytics capability
Retail	Hotels						
Targeting 20-30 new stores	Hotel acquisitions when strategic-fit opportunities arise						
Indicative F23 Plan	\$80 - 140 million	WIP	\$40 - 60 million				
<b>\$120m - \$200m<sup>1</sup> Growth opportunities identified in F23, target &gt;15% ROI</b>							

1. Excluding inorganic growth investments.

# We have a track record of multifaceted Retail investments delivering strong returns



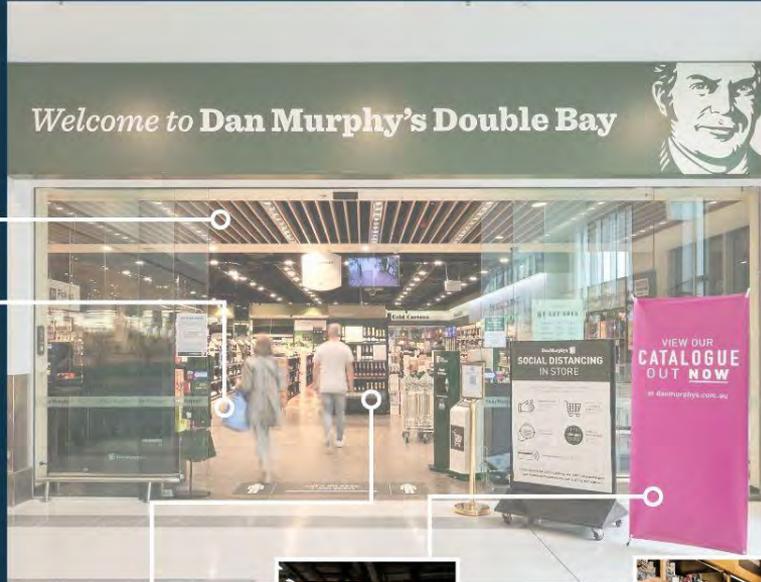
Format innovations



Customer experience



In-store digital, improving ways of working



Advanced analytics



Service excellence



eCommerce penetration and performance



Omni-channel eg. Drive-Thru and Click & Collect innovations



Range optimisation, including Pinnacle brands and NPD

# We are in the early stages of leveraging our capability across Hotels



New & renewed accommodation offering



Bar & restaurant renovations



Gaming room renewals including upgraded EGMs

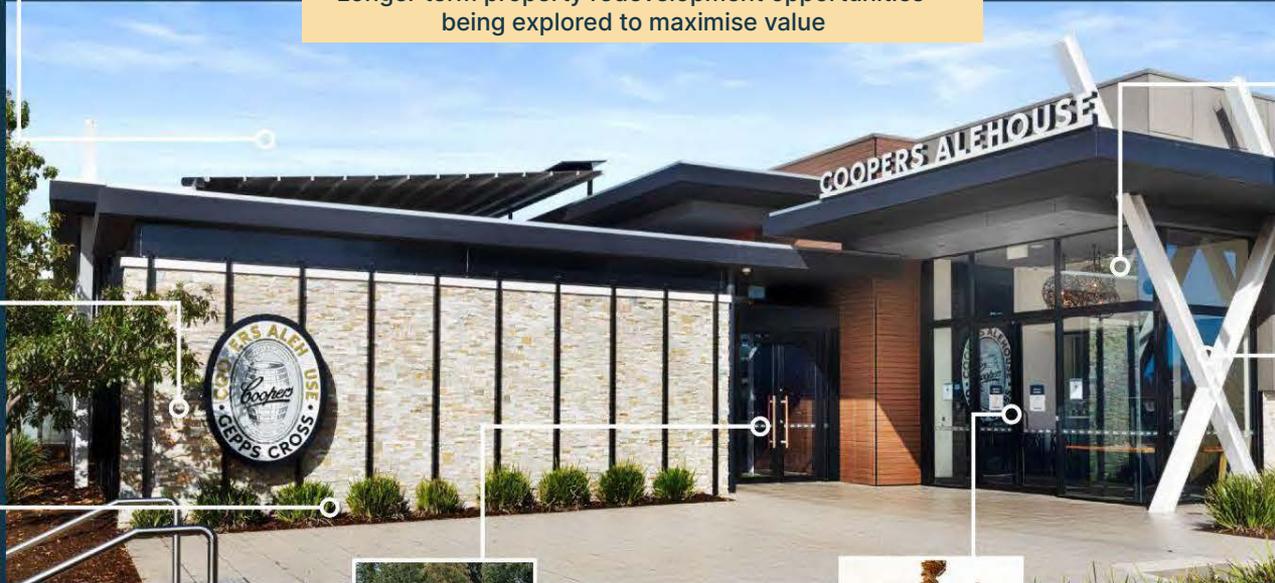


Integrated retail and hotel offering



Optimised product range

Longer term property redevelopment opportunities being explored to maximise value



Customer experience and loyalty



In venue digital experience

# Forest Hotel: Applying our capital allocation and capability in practice



## Investment Profile

~\$20 million investment

Complete redevelopment  
- site reopened December 2020

Trading ahead of  
expectations with >15% ROI

- ✓ Expanded food and beverage offering
- ✓ New sports bar, outdoor dining areas and gaming room
- ✓ Attached Dan Murphy's store with direct-to-boot facilities and 180 car park spaces

# Q&A



Broadbeach Tavern, QLD



Dan Murphy's Double Bay, NSW

# Retail overview

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Steve Donohue  
Chief Executive Officer

# Our retail brands

## Key retail brands



One of Australia's most trusted destinations for drinks **discovery**, with 258 stores and 28,000+ products online



Offers some of the most **convenient** ways to buy drinks, with ~1.4k stores supporting an expanding on-demand digital offer

## Specialty retail brands



Australia's leading fine wine platform, providing **premium** customer expertise throughout the Group



**On-demand** online drinks specialist, delivering in under 30 mins and fulfilling a large part of the Group's express orders



Provider of B2B capabilities, including **customer events and gifting**, supplying drinks to corporates in Sydney and Melbourne CBDs

# Our supporting Group capabilities

## Covered over the next two days...

- **Merchandising:** manage range and value by partnering with suppliers and leveraging customer insight and data
- **endeavourX:** manage Group's digital platforms to deliver a seamless omnichannel customer experience
- **Pinnacle Drinks:** build and manage a portfolio of brands, which it sells primarily through Endeavour businesses

## Other Group-wide capabilities...

- **Marketing:** grow customers and leading brands in social occasions
- **Group Optimisation:** deliver value by optimising our end-to-end business
- **Property, Network and Format:** develop our store, venue and fulfillment network

# Retail financials at a glance

	F18 <sup>1</sup>	F19 <sup>1,2</sup>	F20 <sup>3</sup>	F21
Sales (\$b)	8.2	8.6	9.3	10.2
EBIT (\$m)	516	504	569	669
Gross Margin (%)	N/A	N/A	23.1	24.2
EBIT to sales (%)	6.3	5.9	6.1	6.6
Online sales (\$m)	N/A	503	638	859
Stores	1,543	1,576	1,610	1,643
Comp sales growth (%)	3.6	2.3	7.9	8.6

<sup>1</sup> F18 and F19 represent the results of the Endeavour Drinks segment as disclosed in the Woolworths F19 and F20 Final Profit and Dividend Announcement, respectively, and excludes any intercompany transactions with other Woolworths controlled entities (where applicable). AASB-16 was first adopted in F20. F19 and F18 reported figures are therefore on a pre-AASB 16 basis.

<sup>2</sup> 53-week year.

<sup>3</sup> F20 refers to the Equivalent F20 result, which is described in detail in the F21 Annual Report.



## Elevated sales since F20 due to COVID-19

Sales normalising as COVID-19 impacts reverse and on-premise reopens



## Strong margin expansion

Supported by scale, disciplined approach to costs management, premiumisation, lower promotional activity and new products, including Pinnacle products



## Accelerating investment in data & technology

Continuing to invest in data capability through both operating and capital expenditures

Discover  
**EVEN  
MORE**

**MyDan's**  
MEMBERSHIP



# Dan Murphy's

Alex Freudmann

Managing Director, Dan Murphy's

# Dan Murphy's at a glance

Our footprint

258

Stores

7k

Total team members; 248  
Wine and Spirit Education  
Trust (WSET) qualified

~12k

Wine SKUs sold YTD

Our customers

4.0m

Active membership  
program users

79

Customer VOC NPS score

25%

Share of total sales from  
Gen Z and Millennials

Our online presence

56%

Growth in online orders

52%

Sales originate online

Note: All data is either as at Q3 F22 or for Q3 F22 YTD, unless otherwise stated.

Dan Murphy's



# Dan Murphy's helps you Drink Better

Dan Murphy's Cellar, Lane Cove NSW



First on **new trends** and support **local innovation**



Guarantee the **lowest price** and **best value** for customers while achieving a higher average selling price than market



Enable drinks discovery through **innovative store formats**, **knowledgeable team members** and **personalised, rich content** online



Industry's **first and largest membership program**, My Dan's, with our sales growth fuelled by **Mil Z customers**



Rapidly evolving business model to support **ecom growth** and a **seamless omnichannel experience**

**Dan Murphy's**



Dan Murphy's Cellar, Prahan, VIC

## Lowest Prices and market leading average sell price ('ASP')



Pepperjack Shiraz 750ml  
AV. SELLING PRICE FY22 YTD

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THE MARKET	DAN MURPHY'S
<b>\$20.16</b>	<b>\$17.04</b> (-15.5%)

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Red Wine ASP Overall:  
**~\$13.90**      **\$14.81** (+6.6%)

**Dan Murphy's**

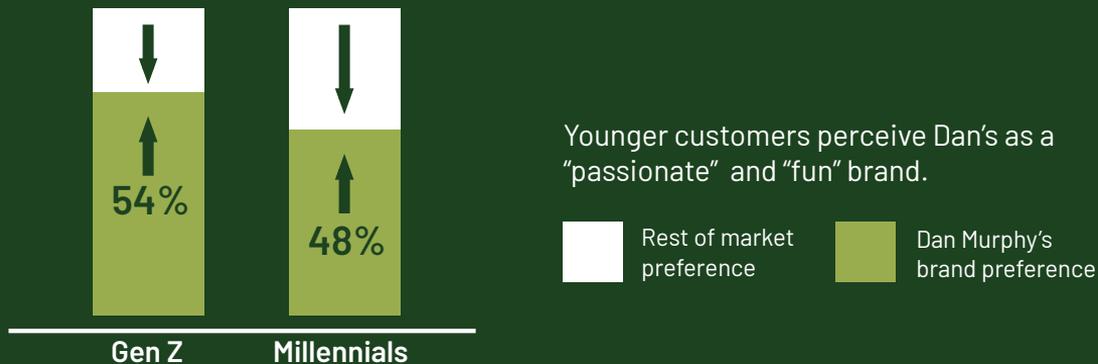
# Mil Z customers are fuelling our sales growth and engaging with our brand as their #1 preference

**#1** Instagram following (115k+) in the liquor retailing category

**25%** Share of total sales from Gen Z and Millennials

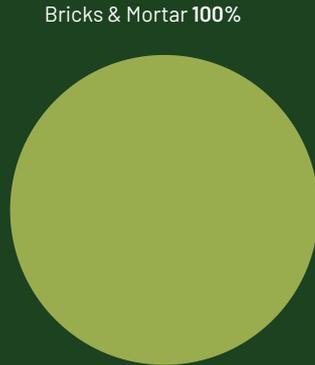
**~35%** Total customers are Gen Z and Millennials

Survey: 'Imagine you had to choose just one retailer to buy your alcohol in the future. Which one would you choose?'



# Our business model has rapidly evolved to support the growth of ecom and customer's preferences

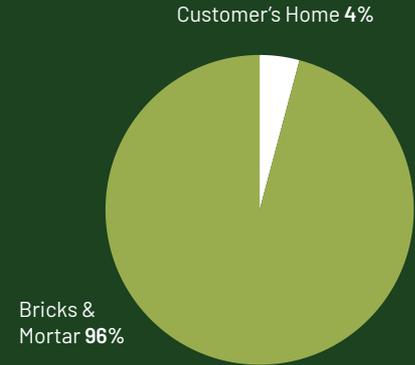
Where did transactions originate in 2010?



Where do transactions originate today?



Where do products change hands today?





BEFORE

# Dan Murphy's

THERE WAS

# Daniel Francis Murphy

Dan Murphy's

# Dan Murphy's Strategic Growth Drivers

## Discovery

We drive for trend leadership to help customers discover new drinks experiences

## Memorable Experiences

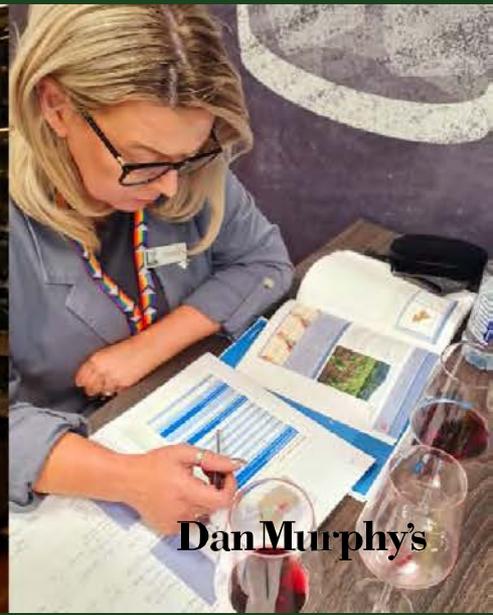
We enable the most engaging end-to-end customer experience

## Personal Interactions

We create personalised moments that are relevant for our customers

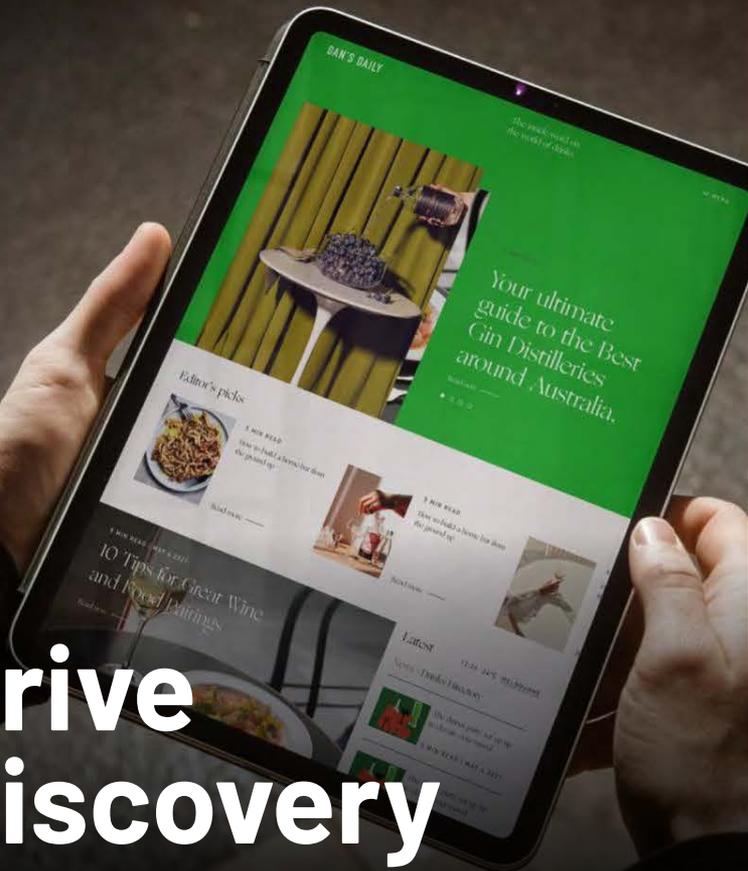
## Team & Community

We are a responsible business enabling our teams and community to perform at their best



**Dan Murphy's**

# Drive Discovery



We drive for trend leadership to help customers discover new drinks experiences



Deliver the future **customer experience** with engaging in-store formats, best-in-class customer service and engaging content

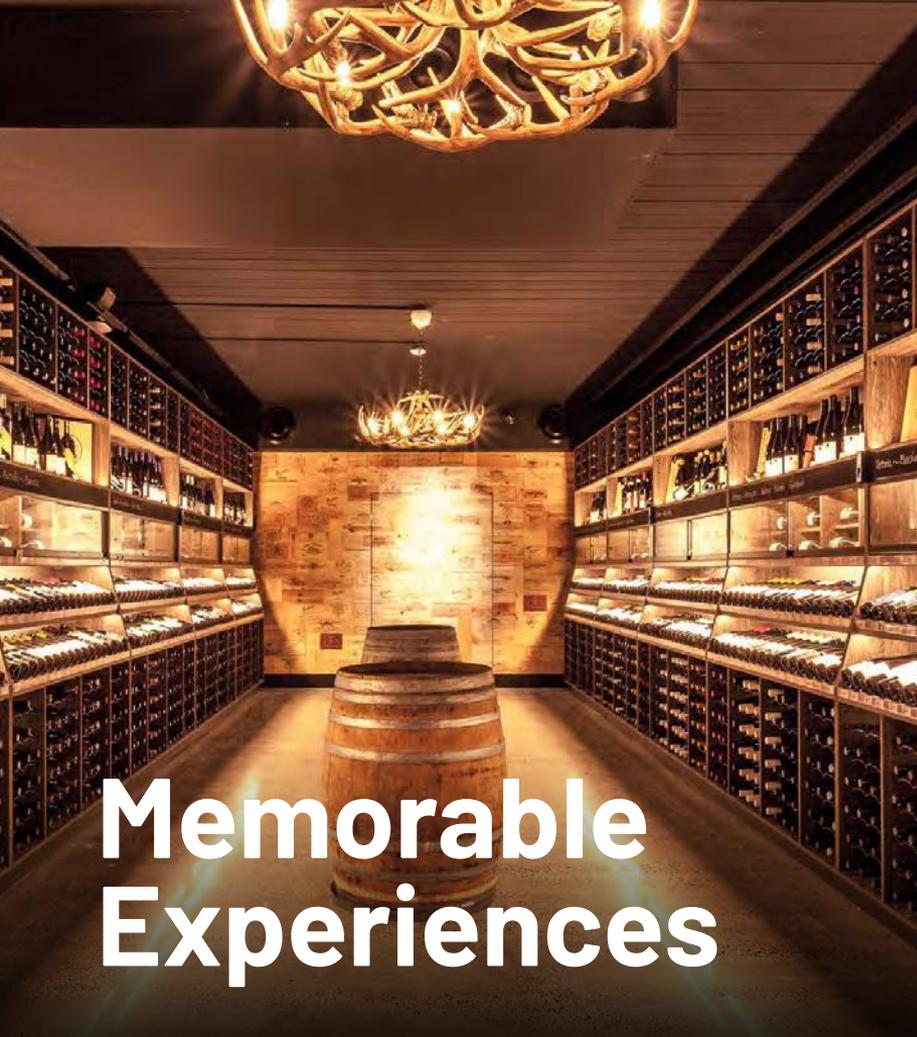


Continue to work with Pinnacle, our merchandising team and suppliers to leverage customer insights and data to **uncover new trends**



**Accelerate drinks innovation** and trend leadership to maintain our industry's largest range of innovation, such as low and no alcohol

**Dan Murphy's**



# Memorable Experiences

Dan Murphy's Cellar, Prahan, VIC

We enable the most engaging end-to-end customer experience



Create new **frictionless and memorable experiences** underpinned by technology in new services like subscription, licence plate-recognition Drive-Thru's and premium events



**Expand, renew and differentiate** our store formats for different shopping missions, e.g. Dan Murphy's Cellar and neighbourhood stores

**Dan Murphy's**



# Personal Interactions

Dan Picked subscriptions

We create personalised moments that are relevant to our customers



Drive personalised discovery across our **digital channels** with real-time recommendations and rich, relevant content



Enable and **scale personalisation** into our stores, for example through our Signature Service platform



Continuously evolve the **My Dan's** membership experience to drive personalised discovery at scale

**Dan Murphy's**



# Team & Community

Dan Murphy's, Burwood, SA

We are a responsible business enabling our teams and community to perform at their best



Invest in our **talent** and team capabilities, in particular, building our team members' product knowledge to enable customer discovery



Reinforce our **diverse and welcoming culture** where everyone belongs



Demonstrate our **commitment to sustainability** including **leading in responsibility**, supporting our local communities and implementing environmental initiatives such as solar

**Dan Murphy's**

# Dan Murphy's in Summary

Unique self-reinforcing business proposition that has created a sustainable competitive advantage

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Evolving our proposition to accelerate growth with Mil Z customers through trend leadership, experiential store formats and digital innovation

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Investing in our digital transformation to create personalised and memorable experiences for our customers

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Reinforcing our culture and commitment to team and community



# BWS

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**Scott Davidson**

Managing Director, BWS

BWS, Glebe, NSW



# BWS at a glance

## Our footprint

9,000+

Team members

~1,400

Stores throughout  
Australia

~3,800

Unique product  
ranges<sup>1</sup>

## Our customers

26

Customer NPS

300,000

Average monthly  
active app users

~1m

Downloads for  
BWS on tAPP

## Our online presence

81%

Growth in  
online orders

76%

Online orders  
delivered via express,  
with remaining 24%  
picked up in store

Note: All data is either as at Q3 F22 or for Q3 F22 YTD, unless otherwise stated.  
<sup>1</sup> 2400 based on standard assortment allocation and 1400 as store specific local allocations.



BWS, Stirling, SA



# BWS does Drinks Your Way.

BWS, Stirling, SA



Well known, trusted and loved **brand** in the local community that offers some of the most **convenient** ways to buy drinks



Valued **connections with local communities** through hyper localised range and format



Expansive **footprint** across Australia, underpinned by a large store network in **convenient** locations



Strong performance for **On Demand delivery**, delivering drinks to door within one hour from more than 700 stores



Robust **partnerships** with Woolworths to enhance our market leading scale and position in **convenience**



# BWS does Drinks Your Way.



We operate in all major communities...

We operate a range of store formats, all of which support our convenience led customer mission



...across a range of store formats



...and offer a locally curated range

# BWS does Drinks Your Way.

We know our customers and are making advances via BWS on tAPP, positioning the app as the front door to our brand for the omnichannel customer

## BWS on tAPP launch

(Aug - Oct 2019)



10k

MAUs

51k

downloads

## Cooler 1

(Nov 2019 - Feb 2020)



72k

MAUs

314k

downloads

90k Cooler orders

0% in store redemption

## Cooler 2

(Nov 2020 - Feb 2021)



271k

MAUs

275k

downloads

93k Cooler orders

0% in store redemptions

## Cooler 3

(Jan - Feb 2022)



433k

MAUs

384k

downloads

275k Cooler orders

59% in store redemptions



# BWS strategic growth drivers

## Team

Enable our team to spark moments with customers

## Local

Lead in local trends through ultra local range and experience enabled by world class store formats

## Convenience

Revolutionise convenience and deliver a seamless omnichannel experience





**BWS strategic  
growth drivers**

**Team**

BWS, Glebe, NSW

## Enable our team to spark moments with customers



Invest in **digital tools** that enable our in-store team members to better connect with and serve customers



Accelerate our **listening framework** that helps bring our team members' innovative ideas to life



Elevate team learning, support and wellbeing through organised **peer-to-peer communities**



**BWS strategic  
growth drivers**

**Local**

BWS, Glebe, NSW

**Lead in local trends through ultra local range and experience enabled by world class store formats**



Activate **store format innovation** and **differentiation** that are relevant to each local community



Supercharge localisation through a **curated and optimised range** at the store level



Grow the total universe of products with bold offerings in line with customer trends





**BWS strategic  
growth drivers**

# Convenience

**Revolutionise convenience and deliver  
a seamless omnichannel experience**



Grow BWS On tAPP to become a **market leading app**



Accelerate the evolution of our **delivery, pick-up, and Drive-Thru** proposition that blurs the line between in-store and online



Grow our **eCommerce partnerships** to deliver ultra-convenience for our customers



# BWS in summary

Over the next few years, we'll focus on:

BWS is one of the **largest and most convenient drinks retailer in Australia** – we do **Drinks Your Way**. We will continue to leverage our unique proposition to grow our business

Empowering our team to be themselves, have fun and spark moments with customers

Supercharging the local experience, through a curated range and world class formats

Integrating and investing in our digital and physical assets to deliver a convenient omnichannel experience across all customer touch points





Dan Murphy's, Gawler, SA

# Merchandising

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Tim Carroll  
Director,  
Buying and Merchandise

# Merchandising at a glance

## Performance / Value

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**\$680m** Gross margin improvement since F16<sup>1</sup>

**+50%** Growth in Pinnacle sales since F19<sup>2</sup>

**1.24m** Prices beaten every year

## Range

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**18%** Of range connected to community & purpose

**+40%** Of sales from today come from range that did not exist 8 years ago

**250** Average new products launched each week

## Supplier

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**1 & 5** Retailer as voted by our suppliers

**730** New supplier partners

**19,800** Readership of Distilled

Note: All data is either as at Q3 F22 or for Q3 F22 YTD, unless otherwise stated.

<sup>1</sup> F16 refers to the Equivalent F16 result. A description of Equivalent results is included in the F21 Annual Report

<sup>2</sup> F19 refers to the Equivalent F19 result. A description of Equivalent results is included in the F21 Annual Report

# Merchandising at a glance

Manage range and value by partnering with suppliers and leveraging customer insight and data

**Range and value**  
Maintain and cultivate our range and deliver trend leadership in conjunction with suppliers and Pinnacle

**Transformation and insights**  
Build the future by driving data efficiencies and incorporating AI into merchandising



## Trading

Deliver commercial and customer outcomes by managing trading terms with our suppliers and overseeing our pricing structure

## Brands

Craft the customer facing manifestation of our range and value proposition tailored by channel

Our unique advantage lies in our ability to drive positive outcomes for customers, suppliers and the business while also building for the future



# Deliver value in an inflationary environment

We are able to manage end-to-end price realisation with our approach to better buying and pricing

Cost price management	Sell price management
 Supplier <b>terms</b> negotiation	 Everyday price <b>competitiveness</b>
 <b>CPI</b> management	 <b>Promotional</b> strategy and governance
 Supplier <b>funding</b> simplification	 <b>Channel</b> based price positioning

Delivering exceptional value for our customers  
Liquor tracker - "offers good value for money"



# Create the trends that are relevant to current and future customers

- Global Trends
- Social Listening & Search Trends
- Macro Trends
- Liquor Trends
- On-premise Trends

1.  
We review leading indicators



Trend Identification

2.  
We contrast with current sales to determine local market and category relevance & size of prize



3.  
We then recommend product 'territories' to inform future innovation & ranging decisions



# Create the trends that are relevant to current and future customers

We have a track record of accelerating trends (e.g. no / low alcohol drinks)

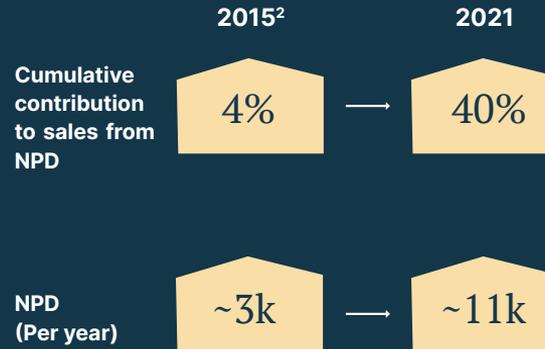
- **MACRO TRENDS:** 'Wellbeing' and 'Responsible Communities'
- **LIQUOR TRENDS:** Moderation, 'Increasing Diversity & Ethnicity', 'Discovery'
- **GLOBAL TRENDS:** 'Sober Curious Movement,' ~120% growth in non-alc off prem sales in the last 3 years (US)



6%  
penetration

+86%  
change since  
2020<sup>1</sup>

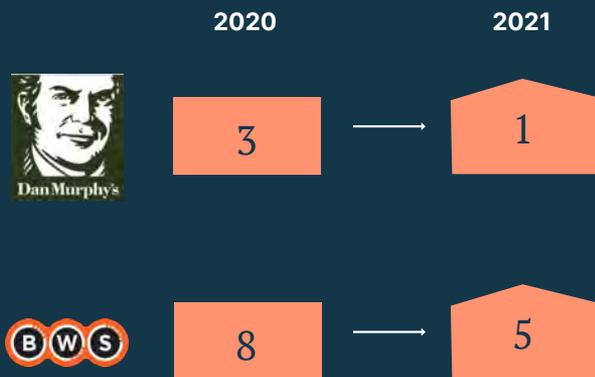
This ability unlocks significant growth across our retail brands



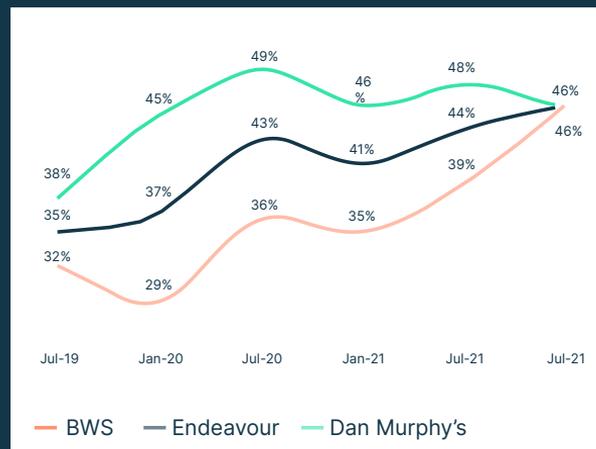
<sup>1</sup> F20 refers to the Equivalent F19 result. A description of Equivalent results is included in the F21 Annual Report  
<sup>2</sup> 2015 refers to the Equivalent 2015 result. A description of Equivalent results is included in the F21 Annual Report

# Be the preferred retailer to do business with

Supplier ranking of preferred retailers  
(Annual Mirror Report)



Voice of Supplier (VOS)





# Supplier of the Year Awards

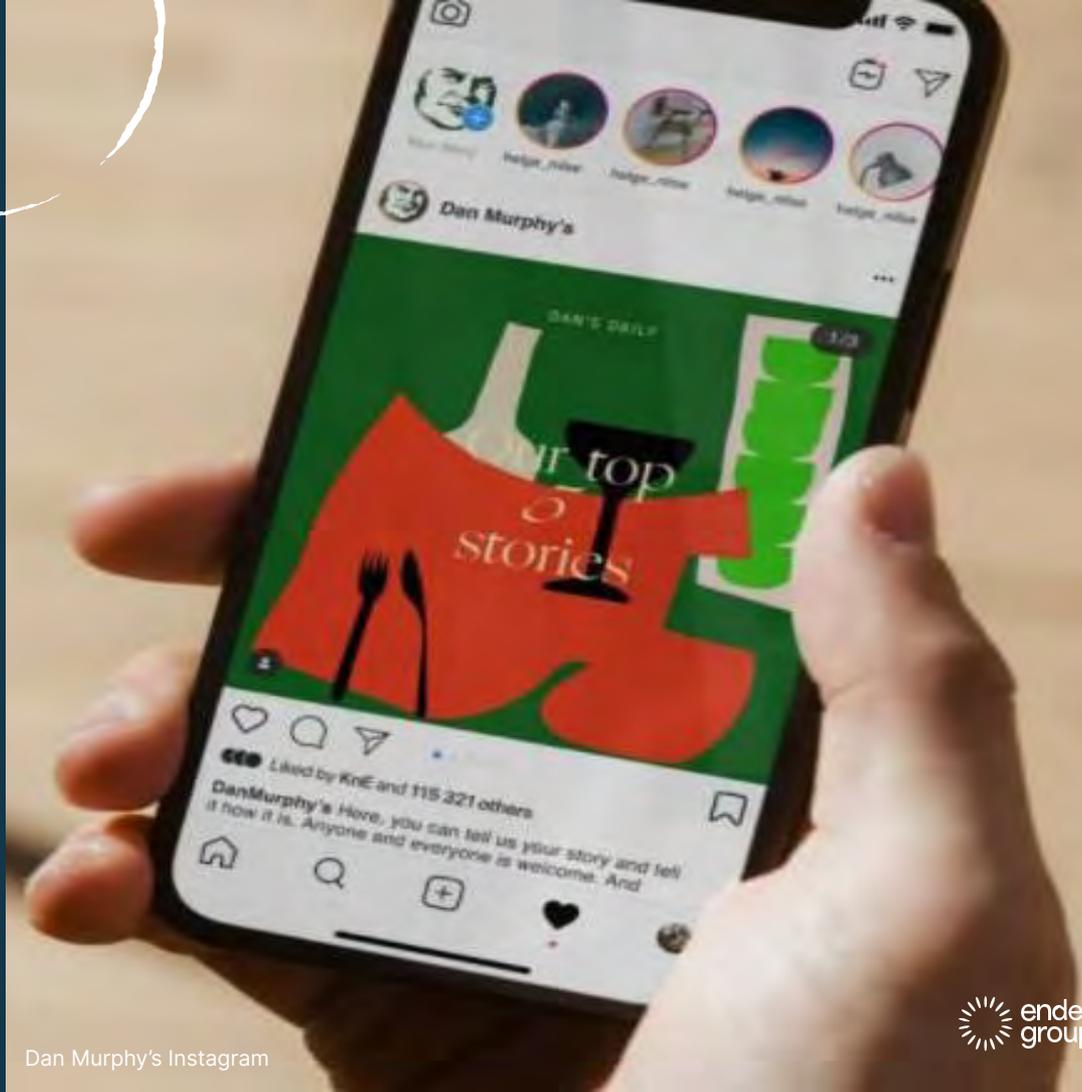
We recently held our first inaugural Supplier of the Year Awards on the 12th of May. Over 500+ suppliers attending our first in person event in over 2 years at the Timber Yard to celebrate all our suppliers big and small.



## Leverage data and digital capabilities to activate new growth avenues

We continually innovate to unlock efficiencies and new growth by:

- Building AI-driven pricing and promotions capability
- Accelerating personalisation and new media assets
- Continually improving our understanding of customers and the latest trends



Dan Murphy's Instagram

# In summary

- Merchandising is a key enabler for the Group; we have a **proven track record of unlocking sales / margin growth**
- Our strong foundations enable us to effectively **navigate the current inflationary environment**
- We are accelerating our **investment in data and analytics capabilities** to unlock efficiencies and improve decision making





# Q&A Retail and Merchandising

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Dan Murphy's, Alphington, VIC



The Rogue Squire, Wheelers Hill, VIC

# Australian Leisure & Hospitality

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Mario Volpe,  
Managing Director, Hotels

# HOTELS at a glance

## Our footprint

**344**

Hotel network  
(including clubs)

**11k**

Team members

**12,540**

EGMs

## Our customers

**8.4**

VOC

**569k**

Average monthly engaged  
social media users

## Our digital presence

**227k**

Average monthly  
order & pay at  
table users

**553k**

Average monthly  
website visitors

Note: All data is either as at 03 F22 or for 03 F22 YTD, unless otherwise stated.

  
**ALH Hotels**

Forest Hotel, Frenchs Forest, NSW

# The evolution of **HOTELS**

We have a rich history dating back 50 years

## SHAPED BY TRENDS

**1960's**

The 6 o'clock  
swill era

**1970's**

The birth of  
Australian Rock

**1980's**

Family  
Dining

**1990's**

The emergence  
of gaming

**2000's**

Masterchef Effect,  
emergence of bars  
and fast casual

**2010's**

Digitisation of  
Hospitality



## MILESTONE MOMENTS

**1970's**

BMG entered the  
hotel industry  
(34 pubs by 2000)

**1990's**

ALH formed by  
Fosters / CUB  
(131 pubs by 2003)

**Early 2000's**

Joint venture  
established between  
BMG and Woolworths

**Early 2000's**

ALH is listed on the  
ASX after demerger  
from Fosters

**Early 2000's**

BMG / Woolworths  
successfully  
acquire ALH

**Mid 2000's**

Bolt on acquisition  
of several  
hotel groups

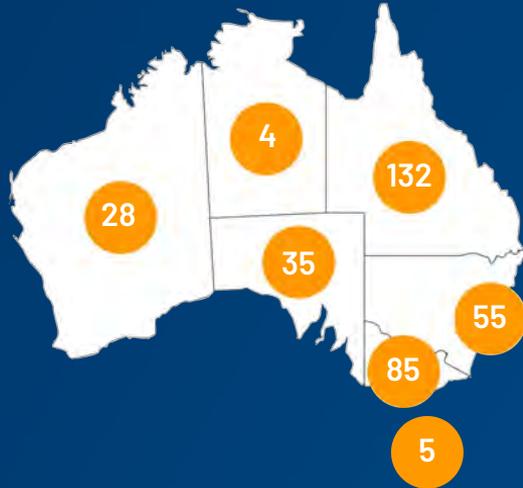
**TODAY**

A network of  
344 pub brands

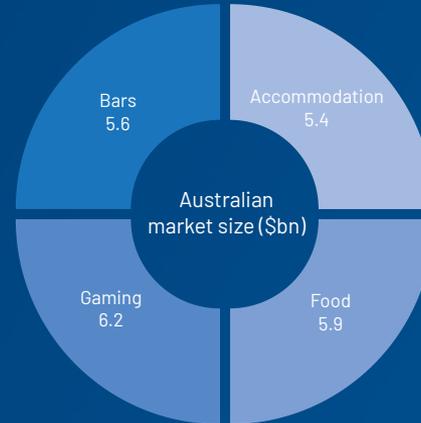
# Our **HOTELS** footprint

We have a network of local venues that operate in a large addressable market

We have 344 local venues across Australia



And operate in four market segments



All sites are supported by our Group capabilities

# HOTELS at a glance

## Key financials and future financial priorities

	F18 <sup>1,2</sup>	F19 <sup>1,2,3</sup>	F20 <sup>2</sup>	F21 <sup>4</sup>
Sales (\$ million)	1,612	1,671	1,320	1,417
EBIT (\$ million)	259	261	175	261
EBIT Margin (%)	16.1%	15.6%	13.3%	18.4%
Hotel Network (#)	323	328	334	339
EGMs (#)	12,052	12,200	12,310	12,402



### Build a strong platform for growth post COVID-19

Continue to invest in our hotels, retain and upskill our team members and deploy new digital services



### Drive revenue and earnings growth

Maintain and grow earnings, with a continued emphasis on disciplined cost management

<sup>1</sup> AASB-16 was first adopted in F20. F19 and F18 reported figures are therefore on a pre-AASB 16 basis.

<sup>2</sup> F18 and F19 represent the results of the Hotels segment as disclosed in the Woolworths F19 Final Profit and Dividend Announcement and excludes any intercompany transactions with other Woolworths entities (where applicable).

<sup>3</sup> F19 represents a 53-week period.

<sup>4</sup> F20 refers to the Equivalent F20 result, which is described in detail in the F21 Annual Report.

# Market leading integrated offer

## FOOD



**300+**

Bistros

**250+**

Function rooms

## BARS



**900+**

Bars

**11k**

Average monthly  
ticket sales

## GAMING



**300+**

Rooms

**300+ & 290+**

TAB & Keno outlets

## ACCOMODATION



**110+**

Properties

**2,450**

Rooms

## DIGITAL



**119k**

Daily food & beverage transactions

**193k**

Average monthly  
tables booked

Bistros tailored to the **local community** and seamlessly enabled through our app and team

**Tap and drink lists optimised** based on customer data and our knowledge of the latest trends

**New gaming offers** deployed across the fleet engaging a new cohort of customers

**Segmented accommodation offer brought to life** through digital channels (booking, check-in, payment)

**Relaunched loyalty program** driving engaging personalised experiences

# Our strategic **growth drivers**

We are community minded, with a deep commitment to our responsibilities.

## Our **People**

Moments That Matter



Local & Authentic



## Our **Experience**

Easy & Convenient



## Our **Platform**

Simplify & Fly



Portfolio Management





# Moments that matter

Team members, Como Hotel, WA

Our teams are empowered to create memorable moments for our guests



Grow team advocacy for the business by reinvigorating the **Australian Leisure and Hospitality** identity



Provide our team with **fulfilling career pathways**



# Local & Authentic

Forest Hotel, Frenchs Forest, NSW

We bring each pub's story and potential to life to create rich and fulfilling experiences for our guests



Deliver a **truly local experience** through greater differentiation across our offer

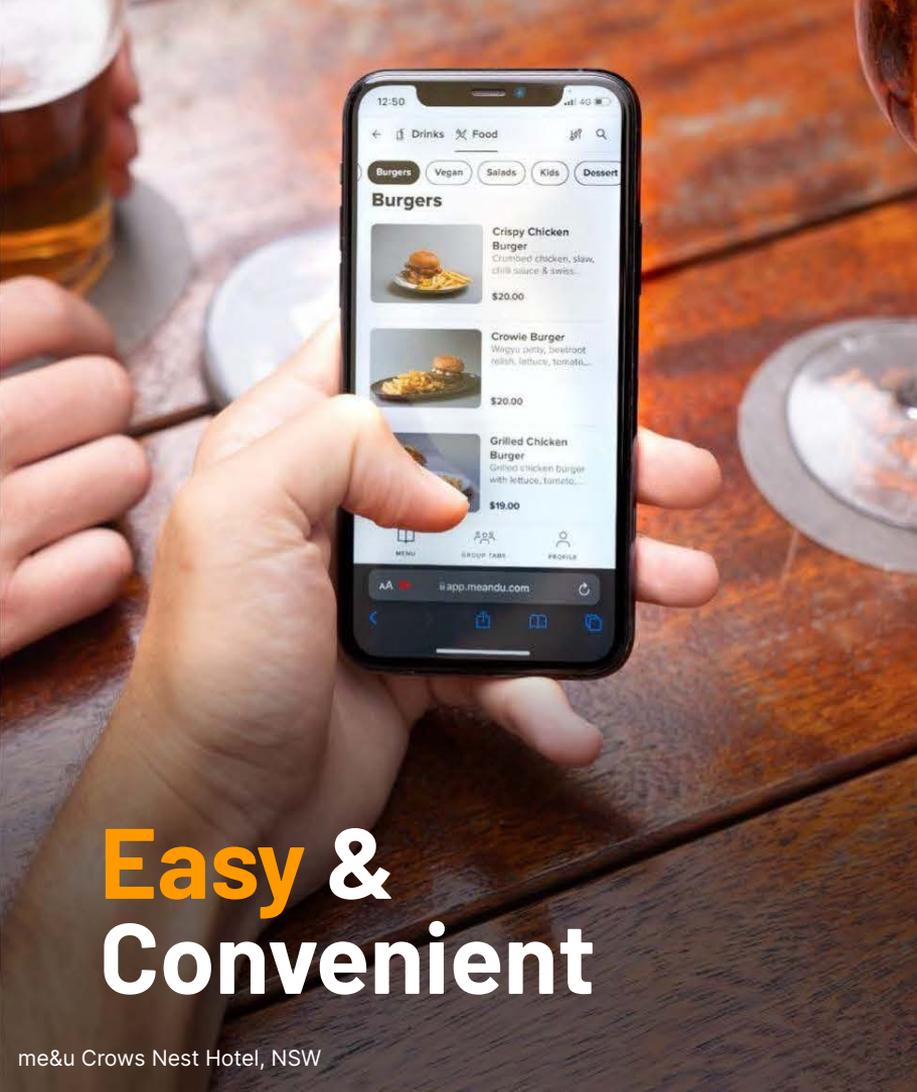


**Step change the formats** we deploy through our renewal program



Grow our share of Gen Z and millennial customers by introducing a more **inclusive offer that appeals across generations**





**Easy &  
Convenient**

me&u Crows Nest Hotel, NSW

**We're enhancing our digital and data capabilities to better support our customer value proposition**



Unlock **meaningful customer experiences** through personalisation



Deliver **convenient, frictionless and innovative venue experiences** across bookings, ordering, payment and gaming



Build a **digital platform and value proposition**



# Simplify & Fly

Coopers Ale House, Gepps Cross, SA

We're harnessing our group capabilities to innovate, grow and improve productivity



## Optimise venue operations

e.g. process simplification, tap menu optimisation



**Share best practices** across venues e.g. marketing, rostering etc.



# Portfolio Management

We're investing for the future with a disciplined and progressive approach to capital and portfolio management



Drive strong returns progressing against our renewal pipeline

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Unlock our land bank opportunity and increase our site utilisation rate

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Deliver high potential hotel development opportunities



# Sustainability & Responsibility

New Brighton Hotel, NSW

We have a deep commitment to responsibility and sustainability



Continue to embed our industry leading approach to responsible gaming in all venues



Invest to build a predictive algorithm to identify potential problem gambling early



Trial the broader use of facial recognition

# HOTELS

## In summary

Positive momentum as the industry bounces back from COVID-19 disruptions

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Growth unlocked by focusing on the customer - leveraging our digital assets, new occasions and offers

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Portfolio management presents a significant opportunity to drive value





Q&A

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