

TRANSCRIPTION

Company: Endeavour Group (EDV)

Date: 13 November 2024

Time: 10:00 AM AEDT

[START OF TRANSCRIPT]

Ari Mervis: Ladies and gentlemen, fellow shareholders, good morning. My name is Ari Mervis and I am the Chairman of the Board of Endeavour. Before we commence today's meeting I would like to introduce Uncle Michael West, from the Metropolitan Local Aboriginal Land Council to welcome us on to the land of the Gadigal.

Uncle Michael is from the Gomeroi Nation, born and raised in Sydney. He is a member of the Stolen Generations.

Uncle Michael has held a number of prominent roles, including Director of New South Wales Indigenous Chamber of Commerce, Co-Chair of the National Sorry Day Committee and Cultural Adviser to TEDxSydney. It is an honour to have Uncle Michael here to welcome us to Country.

Michael West: (Guest) I'd like to say bujari gamarruwa, good day to everyone. How is everyone this morning?

Multiple speakers: Very good.

Michael West: (Guest) Good, excellent. What I was going to say. Where we are, here, is just down, obviously we're here down at [Gomera], this is what the traditional name is called down here at Darling Harbour is Gomera. Now, imagine whales coming in here with their calves. They would do that for many, many thousands of years.

They would come through the Heads up there and come and have a rest down here. They would know in their migration journey - being passed down through the many generations - that they could come here. Unfortunately, can't do it these days, we've got the bridge there and we have other activities. But they do still come in here.

They're part of the Gadigal Clan's totems, which are very important. Totems are a spiritual connection but they're also considered family, it's who they are. That's why they're protected.

We were upset and hurt a few years ago when we had those fire storms and we lost many of our totems. Other totems are Bunda, which is kangaroo in Central New South Wales and Dinawan is emu, the two animals that are on our coat of arms as Australians. The unique thing about them is they don't go backwards,

they always go forward. We should go forward but we should always respect the past. We should always treat people with dignity and respect.

My parents told me and taught me that you always treat people the way you want to be treated. That's try not to go to bed angry and that you have a bit of a laugh every day. I think are some goods words to go by.

I'd like to say too, that it's great that Endeavour Group do have a Reconciliation Action Plan that it's about recognising the past, working together, understanding disadvantage that Aboriginal people have and the trauma we have. How we can make this a more fair society and better society. So everyone, no matter what postcode you're born in, the colour of your skin, the shape of your eyes, the gender you identify, you can fulfil your dreams and aspirations is what we really want.

Other totems I'll be talking on ABC Radio tomorrow morning about, is - it's not my totem, my totem's one of the - [Sangawana] is one of them - is a beautiful bird. It's white feathers, black tail feathers, a long neck and a long beak. The Sacred Ibis, also sacred in Egyptian culture. Yes, very important. It has been somewhat marginalised, been called a bin chicken. So please don't call me a bin chicken, thank you. I'm the Sacred Ibis.

It's not my fault I have to go through the bins and I'm being a bit mischievous. It's actually your fault for not caring for my wetlands. So please get back to caring for my wetlands. I'm very intelligent, the Ibis, if you Google stress and wash, the Ibis, you will see that they've actually worked out a way - I don't know how they've done it. But they've worked out a way to take on the Cane Toad. Yes they take on the Cane Toad.

I was - a friend sent me a video last week, I was quite amazed. So they pick the Cane Toad up and they shake it, which stresses it, which releases its poison, obviously it's protection mechanism. It does it multiple times while washing it. Yes, so how clever is that? How can a native board work out how to do that to an invasive species.

It's important we do take a moment's silence to pay respects to Ancestors, pay respects to Mother Earth, pay respects to all Aboriginal and Torres Strait Islander, Traditional Owners, Elders and Custodians in the past and present for looking after Country, Spirit of the Country and Culture.

Also the people we've lost along the way. We've had a bit of a hectic five years so far through this pandemic. We need to remember they're not just numbers. People had their own families, their communities, their own names, their own ambitions, as we all have.

Also how we can also be better citizens. Not only in Australia but globally too. So if we just have a moment's silence. Just a moment of paying respects, reflection, paying respect and reflection of journey of life that we have to this point in the continuum. [moment of silence]

Michael West: (Guest) We have those three beautiful rivers, the Georges, Hawkesbury and Nepean that are aquatic boundaries of the Eora Nation. On behalf of Metropolitan Local Aboriginal Land Council Members and Elders, welcome everyone here. Have a safe stay, safe journey to your family and loved ones and community.

Remember that we have a beautiful festive season coming up soon, don't we? I hope everyone has a safe holiday season. Remember it's only a short lockdown with your family. Yes, it's only a short lockdown with your family. No doubt, the last few years, you know all their idiosyncrasies but you still love them, don't you? Yes. We need a bit of humour, as I said.

Always was, always will be, Aboriginal Land, never ceded. Thank you.

Ari Mervis: Thank you, Uncle Michael for those inspirational words and words of wisdom. Much appreciated and thank you for the Welcome to Country.

I, too, acknowledge the Gadigal People and pay my respects to Elders past, present and emerging. I also extend this acknowledgement to any First Nations' people who are joining us on the call today or who may be in the room with us.

On behalf of my fellow Directors, I welcome all shareholders to Endeavour's Annual General Meeting. As I've been informed we have a quorum, I now declare the 2024 Annual General Meeting open.

For those who are not able to be here in person, we are pleased that technology allows us to connect with you through live webcasts, as well as an online platform and by telephone.

Instructions to participate in today's meeting via the online platform and telephone, including how to vote and ask questions, are in the Virtual Meeting Online Guide, which is available on our website. If you have any issues during the meeting, please call Link on 1800 990 363. This number is also on the Virtual Meeting Online Guide.

Before introducing my colleagues, I will outline the procedures for today's meeting.

Only shareholders, proxyholders and corporate representatives may speak and vote during the meeting. All others are welcome as observers. Shareholders submitted a number of questions prior to the meeting. I will endeavour to cover as many of the issues raised by shareholders as we proceed.

I will introduce each item of business separately and then invite questions and comments. It is my intention to run an orderly meeting and give shareholders a fair opportunity to ask questions and make comments. I ask that these are confined to the business of the meeting.

If your question relates to a particular item of business I will address the question when we come to that item. Even if you have submitted your question earlier in the meeting. For specific questions relating to experience

as an Endeavour customer, I would ask you to speak to one of our customer service representatives at the desk located in the foyer after the meeting.

To ensure that all shareholders and proxyholders have an opportunity to comment and ask questions, I will take one comment or question at a time. Please be as concise as possible with your comments and questions and ideally, please will you limit your questions to no more than three per item of business.

For each item I will take questions in the room first, then move to telephone questions and finally take online questions. If you are in the room and wish to ask a question, please move to one of the microphones and one of the registry attendants will introduce you.

To ask questions over the telephone, press Star 1 on your handset. Please tell the operator whether your question relates to a specific item of business or to general business. At the relevant time the operator will introduce you to the meeting and unmute your line. If you change your mind and no longer wish to ask a question, press Star 2 on your handset.

To ask a question through the online platform, click on, ask a question button. Type your question and click submit. Questions can be submitted online at any time. I will endeavour to answer all relevant questions during today's meeting. However, I reserve the right as Chairman, to determine that questions on a certain topic have been answered adequately or should no longer be asked.

Following discussions on each items of business, valid direct and proxy votes will be displayed on the screen. I will then ask you to vote on the item. You can vote at any time, once the poll is open.

Shareholders, proxyholders and corporate representatives can vote by marking for, against or abstain on the voting card you were handed upon registration or through the online portal.

For those in the room, yellow cards are for shareholders and proxyholders who may speak and vote. Blue cardholders are for shareholders who may speak but not vote. All other attendees with a red visitor card or green media card are welcome but may not address the meeting or otherwise participate.

As Chairman, I intend to vote all available undirected proxies on, and in favour, of Items 2, 3 and 4. The voting exclusions for Items 3 and 4 are set out in the Notice of Meeting. Voting on the resolutions will be conducted by way of a poll, which I now declare open.

The poll will close 10 minutes following the completion of today's meeting. Please place your voting cards in the poll box as you leave the room. Or if you are voting online, click the, submit vote button to lodge your votes.

As the results of the poll will not be available before the meeting closes, they will be released on the ASX later today, as well as on our website. I would now like to introduce you to your Board and Company Secretary.

From my far right, from your left, Duncan Makeig, Chair of the Transition Committee, Joe Pollard, Chair of the People, Remuneration and Performance Committee, Taryn Morton our Company Secretary. To my immediate left and your right, Steve Donohue, Managing Director and Chief Executive Officer, Peter Margin, Anne Brennan, Chair of the Audit, Risk and Compliance Management Committee and Rod van Onselen.

Also seated in the front row is recently announced, Director elect Penny Winn who will join the Board upon receipt of regulatory approvals. Welcome Penny. Peter Hardy, also announced as a Director elect to the Board last week, unfortunately has a prior commitment today and attended his apology. Jamie Gatt from our Auditor, Deloitte is available to respond to any specific questions you may have on the Auditor's Report and the conduct of the audit.

Additionally, many members of our Senior Management Team are present and welcomed here today. The Notice of Meeting has been distributed and I will take it as read. The agenda for today's meeting is, as follows.

Firstly, I will address the meeting. Our CEO Steve Donohue will then speak and after Steve's address we will proceed with the formal items of business, as set out in the Notice of Meeting.

I am privileged to have the opportunity to speak to you today for the first time as the Chairman of Endeavour Group.

Having worked for many years across the consumer goods, food and beverages sectors, both in Australia and internationally, I am honoured to have been appointed as a Non-executive Director of one of Australia's iconic consumer goods companies, and to have been selected by my fellow Directors to chair the Board.

Endeavour has some of the best-known brands in drinks retailing and the largest portfolio of licensed hotels in the country, and so has an extremely strong connection to the Australian consumer. This places the Group at the forefront of an evolving macroeconomic environment and gives us an unrivalled opportunity to provide our customers with exceptional service, value and choice. It also gives us a tremendous position from which to deliver a rewarding future.

In the short period that I have been on the Board I have seen first-hand that this is a business that is truly guided by its purpose. It is clear that the team are focused on ensuring that they are creating a more sociable future together and are living the values of being Real, Inclusive and Responsible.

I would now like to turn to the last financial year and then speak a little bit about the business going forward, including governance and strategic matters.

The results delivered in fiscal 24 demonstrate the resilience of your Company through a challenging period, both at macro level and around the Board table. In F24, the Group sales grew by 3.6%, or 1.8% on a 52-week basis, while growing Group's Earnings Before Interest and Tax by 3.1% compared to the prior year.

Group net profit after tax of \$512 million dollars was, however, 3.2% below the prior year, or 4.3% on a 52 week basis. This was largely due to increased finance costs as Endeavour, like many companies, faced increasing interest rates in high inflation environments.

Operating cash flow was \$1.2 billion dollars, which enabled the Board to approve a total dividend payout for the year of 21.8 cents per share, fully franked. This delivered to shareholders the same total dividend payout per share in financial 24 as was paid in F23.

While the financial results that we delivered did not meet the expectations of the Board or of Management. It was encouraging to see market share growth, particularly in the Retail sector and improved voice of customer feedback, which was already at all-time high levels.

On Monday, Endeavour delivered its F25 first quarter trading update, which Steve will touch on in his CEO address, next on today's agenda.

The Board appreciates the challenges that Endeavour has faced over the past financial year. An unfavourable macroeconomic environment, increasing costs of capital, and continued low levels of consumer confidence as household budgets remain under pressure. But we, like you, recognise that we, nonetheless, need to improve returns to shareholders and restore shareholder confidence.

We remain committed to delivering sustainable earnings growth in our core businesses, while driving returns on investment through focus on disciplined capital management, and portfolio optimisation.

Endeavour has extremely strong business fundamentals. We have an enviable portfolio of leading brands, an unrivalled network and licence portfolio, and a superior understanding of customer trends and tastes. Through collectively harnessing all these all, our team of talented professionals can create meaningful experiences to deliver on our strategy of putting the customer first.

Our strategy focuses on continuing to optimise the business from end-to-end, through maintaining disciplined capital allocation and investing in our team to enable them to live our purpose and values and ensuring that they can deliver a positive and sustainable imprint, with compliance and responsibility at the core of everything we do.

Your Board has confidence that the strategic roadmap articulated in December 2023 is focused on driving the most important pillars for future success. Success in Dan Murphy's and BWS in Retail and improving performance in our Hotel network are critical to future prosperity. The core trading business ably supported by Pinnacle and our digitally enabled customer-relevant propositions will enhance delivery.

Going forward we will focus on continually improving execution in our primary businesses, with an emphasis on streamlining and simplifying the businesses.

We will continue to ensure that we deliver value, range and convenience through our Retail network, and in Hotels we will deploy capital to increase returns on this part of the business. As a positive shopper experience is at the heart of every interaction, we will continue to relentlessly focus on in-store execution, relevant choices, digital support and great customer service.

We will ensure a rigorous focus on cost optimisation in the short and-long term, while progressing our separation from the technology platforms of Woolworths and simplifying our technology landscape.

Our ultimate aim is to deliver long-term shareholder value. We've set a target to deliver over 10% shareholder value - EPS growth plus dividend yield - per year. Although I do want to reiterate that this is a “through-the-cycle goal”, it is something we are firmly committed to.

In the face of challenging consumer and macroeconomic environments, I acknowledge that this is ambitious. As interest rates stabilise and inflation normalises, we remain confident that we can deliver these returns to shareholders.

At Endeavour, we recognise the importance of conducting our business in a sustainable and socially acceptable manner and we take our market leading position seriously. We remain committed to ensuring we provide a safe and responsible environment for our team members and our patrons and we will continue to work with the relevant authorities on harm minimisation. Steve will cover this more in his address.

I would now like to say a few words on Endeavour's remuneration framework. This framework is designed to align performance with reward. The Board sets targets for both short and long-term rewards to encourage exceptional outperformance.

The Board is confident that the determinations made this year facilitated the right alignment between performance, reward and shareholders' interests. Equally, we recognise the need to review this framework to ensure it aligns Management's focus with shareholders' expectations and I will comment more on the adjustments we have made to the remuneration framework for F25 when addressing the Remuneration Report later in the meeting.

F24 has been a year of change for the Endeavour Board. In March this year, Peter Hearl retired from the Board. Peter served as Endeavour's inaugural Chairman, leading the Company through the formative years after its 2021 demerger from Woolworths. On behalf of the Board, I would like to recognise Peter and acknowledge his contribution to Endeavour.

Colin Storrie, Holly Kramer and Bruce Mathieson Jr, each stepped down from the Board over the course of the year. Both Holly and Colin were integral to the establishment of Endeavour Group, having served diligently as Directors since the Woolworths demerger.

Bruce Jr retired from the Board in June 2024, following a long and successful executive career in Endeavour Group's Hotels business, ALH, and his most recent tenure as a Non-executive Director.

I, on behalf of the Board, would like to recognise and acknowledge the significant contribution of all the former directors. We thank them for their contribution to the Company, and we wish them all the very best for the future.

During the year, the Board also welcomed Peter Margin as a Non-executive Director. Peter is a distinguished corporate leader, bringing a wealth of experience from the food, beverage and dairy sectors from an over three-decade executive career. Peter has brought a fresh perspective to the Board and we are already benefiting from his contributions.

Peter and I will be standing for election at today's meeting, and I hope that we can rely on you for your support in this regard.

Additionally last week, the Board announced that Penny Winn and Peter Hardy would join the Board as Non-executive Directors, subject to probity and receipt of regulatory approval. Peter will represent the interest of our largest shareholder, the Bruce Mathieson Group and we look forward to welcoming both Peter and Penny to our Board.

I acknowledge that in aggregate this is a great deal of change to Board composition, but I believe that this renewed Board understands the requirements to restore shareholder confidence and can guide Endeavour to deliver for all shareholders.

We also recognise the importance of stability and are committed to diligently working with Management for the benefit of all involved.

As announced on 27 September this year, following six years as CEO, Steve Donohue, the inaugural MD of Endeavour, and the Board, agreed that it is now the appropriate time to commence a transition to a new MD.

Steve has had an extraordinary career, having risen from a summer casual in the second Dan Murphy's store in Alphington, Victoria in 1994, through a range of leadership roles across Endeavour Drinks and Woolworths Group, to become the leader of what would become Endeavour Group in 2018. His leadership and passion for the Company and the industries in which we operate, have been integral to the success of Endeavour.

I would personally like to thank Steve for his contribution to our business. Steve, being the professional that he is, and in alignment with his commitment to Endeavour, will remain in his position as CEO to support us

as we work through an orderly transition. As with the passion that he has for the Company, we are more than confident that he will continue to drive the business for growth and performance.

While a new CEO will obviously be given the opportunity to propose their vision for growth to the Board, we believe that the key pillars of the Strategy, as presented, are robust and will endure. We are conscious of both the importance of appointing the right CEO, and equally the need to expedite the appointment of a new leader for the Group.

In this regard, the Board has engaged a global executive recruitment firm to conduct a comprehensive process to identify a new CEO and we are currently considering a shortlist of credible candidates. We will provide an update and further details to the market as appropriate.

Finally, I would like to thank our team of over 30,000 members as we approach our important Christmas trading period. They work every day to meet the changing needs of our customers and create products and experiences that bring people and communities together, while always being led by our purpose and values.

I would also like to acknowledge and thank you, as shareholders, for your continued support of our business and brands. Most importantly, I would also like to thank our customers and the communities of which we're part and who have supported our journey as we work on creating a more sociable future together.

Thank you for your time and attention so far and I look forward to answering any questions you may have shortly. I will now ask Steve to address the meeting.

Steve Donohue: Thank you, Ari and good morning everyone. I would also like to acknowledge the Traditional Owners of the land on which we are meeting today and pay my respects to Elders past, present and emerging.

Like Ari, I'd like to reflect on our F24 financial performance and the progress we've made against our strategy. I would also like to focus on the opportunities ahead to drive operational performance and results.

As Ari mentioned, the economic conditions and consumer environment in F24 created challenges for the retail sector, including for Endeavour Group. Consumers remain value-focused in the face of hip-pocket pressure. While elevated supply chain costs and continued inflationary pressure on other operating costs are yet to abate.

Against this instability I'm particularly proud of what the Endeavour team has achieved. Maintaining momentum in our core businesses and outperforming the market, while still progressing our strategic initiatives and living our purpose of creating a more sociable future together.

This is a testament to the team - in stores, in venues, in wineries and our support offices - that I am so proud to have led for the last six years.

I think it is, however, important to acknowledge that these challenges accelerated in the first quarter of F25. While we also continued to outperform the market, we clearly have more to do to deliver the performance and shareholder returns that investors expect.

That said, overall in F24 the Group delivered a strong trading result, reflecting our focus on delivering stability and value since the demerger. We've driven profitable growth across our core businesses, with Group sales up 1.8% on a 52-week basis, and Earnings Before Interest and Tax up 1.8%.

In the Retail business, we grew sales 1.7% on a 52-week basis.

Our focus on price leadership and value resonated with our customers, with record Christmas sales for Dan Murphy's and for BWS on New Year's Eve. Our e-commerce sales grew 5.9% to comprise 8.9% of total Retail sales. Retail Earnings Before interest and Tax grew by 3%, outpacing sales growth and reflecting strong margin management.

Our Hotels segment grew sales by 2.3% on a 52-week basis, with all drivers in growth in the second half, thanks to a focus on value and elevating our food, beverage, accommodation and gaming offers. Earnings Before Interest and Tax grew by 0.5%. Gaming turnover was impacted by our early adoption of the Victorian Government's changes to trading hours, which were mandated across Victoria from 30 August this year.

Food and beverage margins improved through F24, as we optimised sourcing and menus and led with value-based local offers for customers. We ended F24 with net debt slightly below F23 levels, and our leverage ratio of 3.5x is within our target range and consistent with investment grade credit metrics.

Our business continues to deliver strong net cash flow, which is funding our growth and stay in business investments, including our technology separation from Woolworths.

We achieved our F24 result by delivering on our strategy. We continued to invest in our customer foundations, while simplifying and optimising to become more efficient and prioritising capital allocation for growth.

Our focus on creating meaningful experiences for our shared social customer and our investments in our customer foundations drove performance in our core businesses and delivered value for our customers. Dan Murphy's achieved its highest ever price leadership gap to its nearest competitor. BWS delivered compelling value offers via the Everyday Rewards loyalty partnership the "A Win's a Win" campaign that they ran. Our food and beverage offer in Hotels maintained its leading value position.

Effective investment in our omnichannel capabilities helped drive Active Members in our My Dan's membership program up to 5.4 million. While Dan Murphy's personalised offers delivered material sales uplifts. The launch of BWS Appy Deals drove monthly active app users up 155% and also added 500,000 new customers through ultra convenience partnerships.

In Hotels, I am pleased to say that we launched the pub+ loyalty app, to improve guest experiences too.

Pinnacle Drinks continues to be a market leader for product innovation and customer choice, which in F24 drove its \$1.8 billion contribution to Retail sales, representing over 4% growth on a 52-week basis. We launched approximately 400 new products in the year, which drove over half of Pinnacle's sales growth and the team won over 900 product awards. Pinnacle's asset light model also generates returns that are accretive to Retail Return on Funds Employed.

In line with our commitments in F24, we continued to simplify the business and streamline the way we operate. Our strong focus on sustainable cost control is ongoing, with our endeavourGO, the optimisation program, delivering \$100 million in savings in F24 and on track to reach our target of over \$290 million in cumulative savings by F26. We also improved margins, gross margins, by 66 basis points in Retail and Hotels, supported by our Advanced Analytics capabilities.

We're progressing the One Endeavour program, which is a significant, but necessary, investment to separate our Retail business technology from Woolworths. It will help simplify our technology landscape, and eventually enable automation and simplified processes to drive efficiency.

In Retail, we continued to enhance our network, adding nine Dan Murphy's and 18 BWS stores, while completing the renewal of 52 BWS stores and 16 Dan Murphy's stores. In Hotels we focused on our strong renewal pipeline with 24 completed during the year, while acquiring two hotels and divesting two at end of their leases.

We recognise that responsible, sustainable growth drives long-term shareholder value. I'm pleased with the progress that we've made against our commitment to leaving a positive and sustainable imprint. In F24, we continued to focus on our foundations - resourcing, training, frameworks, controls and oversight - to better support our regulatory obligations and drive responsibility and compliance through our operations.

This is reflected in improved metrics like a 92% completion rate for our unique Leading in Responsibility training across all our team members and 44 million engagements with our customers during the year, with responsibility messaging. There is more work to do but sharing our performance and targets for improving responsibility metrics demonstrates our commitment to transparency and action.

Of course, our team is our most important asset. While our team engagement remains strong, I am disappointed that it slightly declined, compared to F23. Our safety performance also clearly wasn't strong enough this year and it's therefore a key focus in F25, as it always is, alongside investing to build capability for the future.

We are now well into F25, and in talking about the outlook for Endeavour, I will open by repeating my comments from our first quarter trading update on Monday. This is a difficult macroeconomic environment

in which the customer is shopping more selectively and prioritising value in a highly competitive market dynamic.

Notwithstanding this, our Retail business is continuing to execute well. We are controlling the controllables in a tough market and remain focused on delivering profitable sales. We're still growing market share because our offering and service levels are still resonating with our customers, as demonstrated by our market leading Voice of Customer scores and we are continuing to attract new customers.

Within this context, our Retail business delivered first quarter F25 sales in line with the first quarter of last year. While on a comparable store basis, sales for BWS and Dan Murphy's were down 1.1% versus the prior corresponding period.

Hotels recorded sales growth of 2.5% in the quarter, and on a comparable hotel basis, sales were up 2.9% versus the prior corresponding period. This result reflects the growth across all drivers of the business, with particularly strong food and beverage momentum in September over Father's Day, school holidays and the footy finals and actually some real resilience in gaming.

With respect to our priorities. While the current market is particularly challenging, the underlying dynamics of the Retail Liquor industry have been consistent for a very long period. Stable low-to-mid single digit growth, delivered through both population-driven volume growth and consistent price growth. We are facing a significant cyclical correction after unprecedented growth during COVID.

In light of the current challenges, it is important that we continue to deliver against our strategy. By focusing on our customers and maintaining price competitiveness and value, we will profitably grow Retail sales above market and maximise our returns from our existing assets.

Through a combination of operational improvement and disciplined capital deployment we will work towards unlocking the \$150 million Earnings Before Interest and Tax opportunity that we believe exists in our Hotel business.

We will also continue delivering on our F26 cumulative optimisation savings targets of over \$290 million, while continuing to simplify our business, investing for growth and safeguarding our licence to operate. This is reflected in our F25 priorities and in the progress we have made in the first quarter against these priorities.

While we face challenges in the short term, we continue to make progress and are well positioned to deliver sustainable returns through the cycle.

This year, we were saddened by the loss of Mario Volpe, our Managing Director of Hotels, who passed away following a long illness. The imprint Mario left on this business, our people and the industry is enduring.

More personally, Mario was a great source of advice, friendship and support for me from 2020 when we brought the Hotels and Drinks together to form Endeavour Group. He will be fondly remembered and missed by us all.

I am pleased that we have recently appointed a new Managing Director for the Hotels business, Paul Carew. Paul will join Endeavour in the new year and will bring new skills and experience to the Executive Team.

This will be my final AGM as Chief Executive Officer of Endeavour Group. I would like to take the opportunity to thank the people who have made my time with Endeavour as a team member, as a leader and finally CEO, so important to me.

Finally, with only 42 days until my last Christmas with the business, I'm as invigorated as I was when I first started 30 years ago. I look forward to supporting our teams and serving our customers this festive season, right through until when I eventually pass the leadership of this great business to the next CEO.

Thank you and I'll now pass you back to Ari.

Ari Mervis: Thanks very much, Steve. We will now move to the first formal item of business which is to discuss the Financial Report, the Directors Report and the Auditor's Report for the end of 30 June 2024.

While there is no resolution for this item, it is an opportunity for shareholders to ask general questions. This is the time for questions on the report, the management and operations of Endeavour generally and the conduct of the audit.

The Remuneration Report, which we'll deal with, will be dealt with separately.

Prior to taking questions, I will respond to a number of questions and comments raised by shareholders prior to the meeting.

Several shareholders asked what is the Board doing about Endeavour's share price decline and managing its costs?

Firstly, I would like to acknowledge that this has been another challenging year for the business. Our share price performance reflects a number of headwinds which the Group is currently facing into, which include cost of living pressure on the consumer, which is dampening spending in our categories. Ongoing inflation, which is impacting our cost base, particularly our rent and wages expenses and high interest rates, which increased our financing costs.

Against the backdrop of a difficult macroeconomic environment and Retail trading environment, the Board and Management Team are heavily focused on tightly managing our costs and implementing measures to make Endeavour Group a simpler and more efficient end-to-end business.

These measures include our endeavourGO cost optimisation program, which has delivered \$190 million of cost savings in the past two years and which remains on track to deliver at least a further \$100 million in cost savings by F26.

These measures are designed to make the Group a better business in the long term and will help deliver improved returns to our shareholders once Retail trading conditions start to recover. In the meantime we remain focused on controlling the controllables by delivering the best range, value and service to our customers. Ensuring at all times that we are disciplined in how we manage and allocate our capital.

As a Board, we are focused on long-term value creation for our shareholders and we remain committed to driving shareholder value by continuing to lead in our sectors, Liquor, Retail and Hotels and outperforming our competitors. By taking a disciplined approach to both capital and operational cost optimisation and by working collaboratively with regulators and the industry.

Another question on shareholders' minds was why didn't the Board activate the Dividend Reinvestment Plan in the last financial year? We do know that the Dividend Reinvestment Plans are important to some of our Retail shareholders.

The Board considers each dividend recommendation carefully. Considering a range of factors to determine payment of a dividend and activation of a DRP. Which include financial, strategic and capital management considerations, as well as a consideration of the Company's legal obligations. Following assessment of all of these, it was determined that the DRP would not be activated for the F24 final dividend.

At each financial reporting period, the Board will consider the DRP and, if appropriate at the time, we will look to activate it.

I will now invite you to ask questions or make comments relevant to this item of business. As indicated at the commencement of the meeting. I will take questions from those in the room first, followed by the telephone and then those online.

For those of you in the room who have a question or comment to make, I would appreciate it if you could please move close to the closest microphone.

Microphone number four please.

Moderator: Chairman, I would like to introduce you to the shareholder David Kingston.

David Kingston: (Shareholder) Microphone was a bit low. Good morning Chair, I'm David Kingston, K Capital. I'd like to make a few comments as per the *Corporations Act* before asking two questions. Wow, it's been a tough year. Major shareholder fight with the Chair, previous Chair, multiple Board changes. Very well regarded CEO stepping down and Woolworths exit.

But the elephant in the room is the share price. Chair, you have over 400,000 shareholders. Stock is 45% down from the 2022 peak of over \$8. That's a fall in market capitalisation of around \$7 billion. For a major company dealing in stable industries of Liquor and Hotels, Endeavour's performance has been concerning.

83% of Group sales come from Retail but Retail margins, EBIT sales margins, are only 6.7%, compared to the much higher Hotel margins of 21.2%. Therefore, in looking at the Company, to put it in context, the ultimate issue in any company is the profit driver. Split at EBIT level is 60% Retail, 40% Hotels.

Before commenting on those, it's interesting to note Endeavour is a great category killer, it's got a great market share. But it has a declining and lower multiple than other category killers on the ASX. The two leaders are Bunnings and Chemist Warehouse, with huge multiples. We then have Coles and Woolworths who are currently having a couple of challenges. But in terms of market rating and multiple, Endeavour is lagging the others.

If we look specifically, Chair, at a couple of specific issues. The Retail division with Dan Murphy's and BWS has over 40% of the retail market. Well done to Woolworths, Endeavour and Steve Donohue for achieving that huge share. In contrast, Coles' Liquorland is struggling.

But Endeavour has just issued a downgrade in the earnings of the Liquor Retail business. A very big decline in EBIT operating margin from 8% in first half FY24, down around about 10% to 7% to 7.5% in first half 25. That's a big decline.

That did surprise the stock market. Yes, it reflected the soft economy, ongoing decline in alcohol consumption per capita and a significant rise in cost. But it did surprise the market and disappoint it. There's probably a range of reasons but I'd also mention that not quite sure about the Pinnacle Drinks brand which releases a huge number of products. Very surprised it actually owns boutique wineries, which is a very, very challenging business.

But let me move briefly to the Hotels division. It's a great division, the largest hotel group in Australia with over 350 hotels, it contributes 40% of EBIT profit. Hotels were trading solidly with revenue up 2.5% but costs are rising significantly.

Endeavour says the pub drivers are food, bar, gaming and accommodation, but in reality, the most substantial profit driver, by a wide margin, is gaming. Also point out that most of the hotels are leaseholds with substantial and increasing rent obligations to pay.

Before asking questions, Chair. I'll just make some comments on gaming profits and increasing regulation. 40% of the Hotels revenue is derived from gaming but the profit margin in gaming is very high. While Endeavour has avoided providing a profit split generated by gaming in its hotels, I would estimate that gaming delivers over two thirds of the Hotels division's net profit.

Therefore, in turn, I would estimate gaming would represent near 30% of Endeavour Group's profit. So gaming is extremely important to Endeavour. As we all know, most form of gaming in recent years have been subject to a substantial rise in regulation. Mandatory carded gaming has recently been introduced at Crown Melbourne Casino and Star Sydney Casino. Anecdotal reports indicate that pokies' profits have fallen by at least 20%.

As you know, carded gaming trials for pubs are presently being undertaken. So potentially mandatory carded pokies might be introduced to pubs. So while pokie profits seem to be holding up okay in most pubs, which is the key driver of your Hotels division, there is a real regulatory risk. It seems that cap rates have increased for most gaming pubs in the sales market. Gaming skewed pub values have reduced.

So my first question, Chair. If mandatory carded gaming is introduced in pubs, what reduction of Endeavour Hotels pokies' profit would you expect? Is a fall similar to casinos likely?

Would you like me to ask the second question now or wait?

Ari Mervis: Sure, no go ahead please.

David Kingston: (Shareholder) Second question pertains to rentals on - largely your hotels are leaseholds, you have some freeholds. The challenge of leaseholds is that rentals keep going up. Now that's fine when revenue goes up but if the hotels hit a revenue and pre-rent profit hurdle, the substantial and growing rental profits are going to be a concern.

In particular Chair, the iconic pubs that you have leased from Charter Hall ALE are subject to an uncapped market rent review in 2028. Certainly ALE have previous indicated that a number of their hotels are materially under-rented, potentially to the tune of 30%. Therefore, lease payments on those hotels may well rise substantially in 2028.

But I suppose the challenge is that for every one of your hotels that's leased, each and every year, the rental payments go up. As I said, fine if your hotel profits are going up but difficult if they plateau.

So my second question, Chair, is if you could perhaps give shareholders a guide as to the expected average rental increase on the ALE pubs in 2028. What impact would that have on Endeavour Hotels' profit. Thank you.

Ari Mervis: Mr Kingston, thank you very much. I appreciate your comments and certainly appreciate the tonality and the support and interest you have in the Company. So that's really much appreciated.

The comments will be taken as noted. The two questions that you posed, the first one relating to mandatory gaming or carded gaming of players and the impact of that. I think it's important for us all to recognise that we do maintain a constructive and regular dialogue with all governments and regulators of the responsible

service of gaming. Responsible service of gaming goes to the heart and ethos of our business, as is harm minimisation, which I covered and which Steve covered in his address.

We aim to ensure that there is clarity, consistency and certainty when it comes to EGM policies and working with authorities in that regard. Through the introduction of the pub+ app, which Steve indicated and spoke about in his address, which provides gamers with the opportunity to have voluntary pre-commitment on mainland EGMs which we previously had with our Monty system, we believe we are helping to navigate and steer and lead in this regard. As I said, our goal is to work constructively with regulators and all governments in this.

I'd also like to note that hotels are somewhat different to casinos and they are viewed differently and managed differently per se. With regards to your comments and questions specifically around the hotels, as stated in the December 2023 Strategy Day, we definitely see the hotels as a pillar for real and future growth.

There's different components of our Hotel strategy. We've spoken about a redevelopment opportunity where we have leasehold and freehold properties that have an opportunity to enhance value through development. We also have the opportunity to enhance our accommodation offering, which is growing and which has been very well received by patrons, and we also have an opportunity to outperform through [unclear] delivering of superior service and value and offerings and with the enhancement of the pub+ app have an ability to bring pub users [unclear] our ethos system and give them superior tailor made and personal offerings.

We continue to have a very strong relationship with Charter Hall as one of our key landlords and we continue to work with them to find solutions which will commercially deliver acceptable outcomes for both parties. Thank you. Microphone number 2.

Operator: Chairman, I would like to introduce Don Adams, a shareholder.

Don Adams: (Shareholder) Thank you. I'm Don Adams from the Australian Shareholders' Association and I am also a shareholder and I hold proxies for 332 other retail shareholders at the meeting today. Thank you, Mr Mervis, for your speech. You covered some of the points which I'd hoped you would. There was one thing I wanted to ask you more about and that was your attitude towards responsibility as a metric and maybe we can address that when we come to talk about the Remuneration Report.

On One Endeavour, I heard what you said about the simplification of the business and how the current focus of One Endeavour is working on your ERP on the business technology things, and it's a huge undertaking. Do you see other areas where you're going to seek independence from Woolworths, like reward cards, logistics, real estate, and how does the recent deal between Jimmy Brings and MILKRUN fit into that independence idea?

Ari Mervis: Thanks Mr Adams. Thanks very much for that. If you don't mind we will cover the change to the rem framework under that item of the agenda. With regards to Woolworths, I can probably categorise it broadly of saying that there is an enormous [unclear] and good relationship between the two companies. We do have a transformation, which is a required transition to separate from the Woolworths entity on the technology platform and that is progressing as has been articulated in our release of our year end results and updates and it's working well.

We do have, additionally, other components of relations of transitional service agreements and also different service suppliers with Woolworths, some of them [unclear], for example where a store would be attached to a Woolworths' store and you share a receiving bay, and others which are time bound. We navigate through all of these in a very constructive and appropriate manner and are looking at a very constructive engagement with Woolworths as we move through these. Microphone number 2.

Operator: Chairman, I would like to introduce Michael Moore, a shareholder.

Michael Moore: (Shareholder) Hello. I just read in the Annual Report that the Company has 142,000 shareholders that are of less than a marketable parcel of shares. Now that's over a third of the shareholders. To me it would seem very expensive to maintain this number of small parcels of shareholders. Would it be worthwhile having some sort of share sale facility or buyback facility to be offered to these people?

Ari Mervis: Michael, thank you very much for that question. I think what you're probably seeing is the register is a combination of what's happened over the last few years but equally a combination of the demerger of Woolworths, and hence why there may be some unmarketable and smaller parcels. We continue to monitor the register, continue to look at the available options and continue to look at our capital allocations, so thank you for that. Number 5.

Operator: Chairman, I'd like to introduce to you Mr Trevor Gibb, a shareholder.

Trevor Gibb: (Shareholder) My name is Trevor Gibb from Western Australia, 600 kilometres north of Perth. Specifically come over here for the meeting. Congratulations to the Chairman, who actually made himself available before the meeting. We talked about various things there. The only thing I've got to mention was some time back we talked about the BWS and Dan Murphy, the common card. Is there any thought of further on – I know you were talking about the Woollies and the relationship you have with the Woollies, but is there any further thought about that common card between BWS and Dan Murphy's.

Ari Mervis: Thanks Mr Gibb and thank you very much for coming all the way over from WA and for the chat this morning, earlier. There are a large number of co-located stores of BWS and Woolworths, so our partnership with Woolworths on a BWS basis does continue and, as you may well be aware, is the My Dan's membership offers superior value offerings and bespoke offerings to My Dan's clients and My Dan's shoppers.

Management, as Steve mentioned through the introduction of the pub+ app, continues to look at ways of ensuring that we are providing all our shoppers and all our customers the right opportunities, and always looking at ways to try and improve not only service and performance but giving people access to the broader ecosystem. So certainly the points that you raise are very valid and are things that management do continue to consider and work through as they navigate through the growth agenda.

Any more questions from the floor? Sorry, is that a question at microphone number 3, 4, 5? No, okay. I think we have a question at microphone number 6, thank you.

Operator: Chairman, I would like to introduce Ray Trenerry, a shareholder.

Ray Trenerry: (Shareholder) Good morning. Just a couple of questions, or comments. First of all, since there seems to be fairly thin operating margins involved in this particular enterprise, and this is somewhat anecdotal, but what sort of problem is theft from BWS stores, especially when there's only one operator involved?

What I've heard is that it's the single guy on the desk and they just virtually walk in and ignore him and walk out the door. He can't do anything, can't leave the store because then the stores unoccupied. He might have cohorts just coming and help themselves and they just get away with it. So just wondering what sort of impact does that have on the cost base?

Also, have you considered doing things like an airlock system where when they come in they're facially identified and if they're a known thief then they get the B door which directs them out and otherwise you go straight through, something like that to stop this sort of – it's almost like just thumbing your nose at the operator and taking what you want.

The other thing is – that's my first question – the other thing is since COVID I know for say TAB, that's completely impacted them in terms of TAB outlets because people will change their behaviour. Instead of going to the TAB they use an online service, okay, and so these TAB outlets are virtually losing customers which they wouldn't just normally do as people change their habits. Has the same thing happened with the alcohol industry, because I get a feeling that people aren't coming back to the hotels like they used to.

Also, I think the hotel prices are overpriced. I mean if you buy a six pack of beer you can get it say for \$15 and then you charge \$10 for a schooner. I mean, there's a huge differential between what you're getting when you take it from the outlet and when you take it from the hotel. Anyway, that's my comments.

Ari Mervis: Thank you very much, Mr Trenerry, and hopefully I pronounced your surname correctly. Certainly our teams work very closely with the police, with the broader retail industry and with the unions in all jurisdictions with regards to health and safety. The spike in incidents in the last 12 months is concerning and this has been felt by store team members, like all retailers across the country.

Our team and community safety is our number one priority and we work very closely with our stores and with the authorities in this regard. In these challenging times we continue to review our security settings against each store's risk profile. We've also updated our deter, respond, protect program which is specifically going to ensure that we support our teams further. So deter comes to CCTVs and security guards in certain areas and secure drop safes, which are sometimes required. Deter is safety and security training and lockouts, as you mentioned, and detect is trialling safe haven spaces, enclosed counters and service windows to ensure that we do protect the community and particularly our team members.

With regards to your comments on COVID's impact and changing dynamics and, as was mentioned earlier, the benefits that retail had through COVID in certain sectors, one of the advantages that we have is that we provide a more sociable future together, and people do like going down to the local pub, getting a good meal and socialising with their guests.

I'm informed that our Christmas running bookings are a very, very high level, so people are looking to go out and enjoy themselves, hopefully, with a good meal and with good friends. So I'd like to believe there's less of an impact specifically in the category that we operate, particularly our hotels, and so we are well positioned and well placed and continue to focus on providing great service, great value and a great offering to all the patrons who join us. Are there any questions on the telephone?

Operator: Thank you, there are no questions...

Ari Mervis: Sorry, sorry, my apologies. We have a question on the floor. Apologies.

Facilitator: Chairman, I would like to introduce you to David Kingston, a shareholder.

David Kingston: (Shareholder) Just a quick one Chair, in Note 4.2 of the accounts you've got \$930 million of franking credits, which is a huge amount relative to your market cap of \$7.7 billion. What is the Board looking to do to pass those valuable franking credits through to shareholders? Are you looking at a special dividend? Because the franking credits are quarantined in the Company and they're not doing the Company any good but shareholders would like to see them. Thank you.

Ari Mervis: Thanks Mr Kingston. Certainly, as we've mentioned, the Board is very mindful of our accounts and also of our capital management programs. We continue to have a clear focus on ensuring a total shareholder return that exceeds our peer group and that we are looking to deliver to our shareholders and take into account all the different components and attributes that make up those aspects. Are there any questions on the telephone?

Operator: Thank you. There are no questions on the telephone.

Ari Mervis: Thank you. Are there any questions online?

Operator: Chairman, this question is from Henryk Kay. Would you consider consolidating your brands into one instead of two brands, as Coles announced yesterday, under the Liquorland brand. I would suggest that the name Dan Murphy's be used to merge them into one.

Ari Mervis: Mr Kay, thank you very much for that question. We are very fortunate that we have a wonderful portfolio of brands and offerings and in the retail sector our specific offerings of Dan Murphy's giving you the lowest liquor price guarantee stands above and beyond any of our competitor set and is really the destination shopping choice place for consumers of our products.

BWS offers great range, great service and great value and is very much perceived as the destination for convenient shopping, and so we believe they both have very distinct roles in the portfolio and we are very encouraged by the fact that both of them are not only enhancing consumer offerings by having improved consumer share of voice, but also are growing their market share. Are there any further questions online?

Operator: Chairman, I'm just confirming whether there are any further questions on this item of business. Chairman, there are no further questions at this time.

Ari Mervis: Thank you very much. There being no further questions I will now move on to the next item on the agenda, agenda item number 2, which is the election of two new Directors. The resolutions will be dealt with separately. As I'm the first candidate for election, I will now ask Anne Brennan, who is the Chair of our Audit, Risk and Compliance Management Committee, to take the Chair for this item of business.

Anne Brennan: Thank you Ari and good morning everyone. The Notice of Meeting contains the details of each Director's background and experience and I won't repeat all of those details here today. Each Director though will briefly address the meeting regarding their candidacy.

We are on Item 2A which is the election of Ari Mervis who, in accordance with the Constitution, retires as a Director and offers himself for election. Ari was appointed to the Board of Endeavour and as Chairman in March this year. He's also Chairman of the Nominations Committee.

Ari's broad executive and board leadership roles, gained in Australia and across international markets, enables him to provide effective direction and leadership to our Board. His expertise in consumer markets, knowledge of the alcohol beverage sector and strength in strategic execution are providing valuable insights in the Board's deliberations. The Board considers Ari an Independent Director. The Board, except for Ari, recommends the election of Ari Mervis. I now invite Ari to address the meeting.

Ari Mervis: Thank you Anne. Ladies and gentlemen, I am honoured to stand here speaking to you and seeking your support to continue serving as a Director and Chairman of Endeavour. I am committed to representing your interests as shareholders. Throughout my career I've had the privilege of leading businesses across diverse sectors including consumer goods, food, beverages and agriculture.

I've operated companies both domestically and internationally, navigating complex regulatory and political landscapes. My previous roles include Executive Chairman of Accolade Wines and CEO and Managing Director of Murray Goulburn. For over 27 years I held various leadership positions at SABMiller, culminating in the role of Managing Director for the Asia Pacific region.

I have chaired SABMiller operations in Korea, Vietnam and India and have also been the Chairman of a joint venture in China. Currently, I serve as Chairman of McPherson's Limited, a leader in health, wellness and beauty. Previously, I held the position of Chairman at the retailer, Myer Holdings, and was also a Director of the Melbourne Business School.

I'm dedicated to working collaboratively with my fellow Directors, Management and our team of dedicated employees to ensure Endeavour fulfils its ambition in a socially acceptable and responsible manner while delivering value to you as our shareholders, to our customers and to the communities in which we operate. I hope that I can rely on you for your support and thank you for your time and consideration.

Anne Brennan: Thank you Ari. Are there are any questions on the election of Ari Mervis? We'll take questions in the room first. Please move to a microphone if you have a question. Microphone 3.

Operator: Chairman, I would like to introduce Charlie Kingston, a shareholder.

Charlie Kingston: (Shareholder) Thank you. Charlie Kingston. Just a question for Ari, just about Pinnacle Drinks which is Endeavour's own branded alcohol business, which is heavily focused on wine, I believe. Just based on your history, Mr Chair, around Accolade, of which you were also the Chairman. Please correct me if I'm getting my dates wrong but I think you were the Chair there from 2018 through to 2023.

Accolade, as most would know, is a competitor to – in the wine space and was also owned by Carlyle Private Equity, but over their ownership their equity of Carlyle was 100% wiped out, but not only the equity, the debt. According to the press they took a 60% haircut on that debt. So it's quite a scary implosion. Now I'm not attributing this implosion towards yourself, albeit you were Chair through most of that period I do believe.

I was just hoping to hear your thoughts as to what went wrong at Accolade and what are the learnings that you can bring to Endeavour, noting the Pinnacle's business of which, I think it's over 50% wine, we're making our own, we're buying our own wineries. I would just note that I think this time last year there were some investors that were pushing for a potential sale of Pinnacle. They couldn't understand why we were buying wineries.

So I appreciate there are differences between Accolade and what I think is Pinnacle is targeting, more of a luxury exposure, but it would just be great, given that experience with Accolade – maybe we're competing with them now and you can use some of that skill, but to hear your thoughts as to what went wrong at Accolade and what learnings you can bring to Endeavour please.



Ari Mervis: Thanks for that Mr Kingston and I'm sorry, I will correct you that I was not Chairman of Accolade Wines until 2023. In fact, my executive chairmanship at Accolade ended just before the start of COVID, so I was there for a short period and went into Accolade Wines for the establishment of Carlyle.

At Pinnacle we have a great opportunity as a Company to leverage not only consumer insights but MPD and first move advantage to help and create the offerings that our shoppers are looking for. We also have an ability to enhance and support 200 independent small wineries who otherwise would not necessarily have a competitive way of producing wine and getting a sustainable route to market.

It's an integral part of ensuring that we stay at the forefront of offerings for consumers. As a leader in the category, we want to be on the front, we want to be able to delivery them superior offerings at great value and equally we want to be able to help to support and help the smaller wineries and the smaller wine growers in the region.

Charlie Kingston: (Shareholder) Okay. Anyway, didn't really answer about what went wrong at Accolade and apologies for getting my dates wrong. Couldn't find your finishing date. Also on – another company that you are Chair of is McPherson's and over 10 years that company – I'm not sure about your tenure – but that hasn't been a very great result for shareholders. It's lost significant shareholder value at McPherson's.

Now they're a very different type of company, they own just brands of which I suppose they're competing with the big retailers and the home branded offerings, but specific to Endeavour, through Pinnacle again, now that we have the retail powerhouse with BWS and Dan Murphy's, we've also got the Pinnacle brands, which I would hope is going to lift the margins altogether, but noting that McPherson's experience where you didn't have the retail powerhouse behind you, could you just providing some learnings from that, noting that we now have both in Endeavour.

Is that going to enable us to compete more heavily against the likes of the McPherson's specific to the alcohol industry, those who don't have the backing of Dan Murphy's etc. So should we able to gain share and lift margins going forward through Pinnacle please?

Ari Mervis: I think, Mr Kingston, the McPherson's Annual General Meeting will be held in a couple of weeks' time and I'd welcome you to attend and we can comment on the performance of the company at that juncture. If I look at Endeavour, we have a tremendous footprint, we have a wonderful licence and, as I covered in my opening address, we really have a tremendous platform to continue to provide superior growth.

I refer to our retail footprint, which you've also referred to, of Dan Murphy's lowest liquor price guarantee, BWS, the convenience destination, and ably supported by Pinnacle which has the ability to bring innovation, speed to market and superior offerings. So a very broad network, and then we additionally have 355 hotels that also give us an opportunity to have a different sector that we can target, albeit in the larger ecosystem.

I think it's also quite important in your reference to wine to remember that over 60% of all Australian wine is sold through export, whereas Pinnacle is focused far more specifically on providing, through the team, offerings to our consumers and our shoppers in our local environment. I think it has quite a different make up and quite a different presentation.

Charlie Kingston: (Shareholder) Okay. Thank you.

Anne Brennan: Thanks Chair. Are there any more questions from the floor? Any questions on the telephone?

Operator: Thank you. There are no questions on the telephone.

Anne Brennan: Any questions online?

Operator: This question is from Stephen Mayne. Could Ari please comment on how hands on he intends to be as Endeavour Group Chair, particularly given his CEO history at CUB and Accolade Wines where he was Executive Chair? Given his industry experience, does he regard himself as being more hands on than our previous Chair? Also, could Ari please outline his full history with our largest shareholder, the Bruce Mathieson Group? Will he be as strong in standing up to the Mathiesons as Peter Hearl?

Anne Brennan: Ari.

Ari Mervis: Thank you Stephen and good morning to you. I really don't think that the first part of that question is relevant to this meeting. I understand, or I would like to tell you that I was acquainted with Bruce Mathieson Sr. through normal business associations when running CUB, clearly as a hotelier on his side and as a supplier of draft beer on CUB's side, and I have been endorsed by the Board as an Independent Director.

Anne Brennan: Thank you Ari. Are there any more questions online? Okay, sorry, I'll take the question on 5.

Operator: I'd like to introduce Rowan Weir, a shareholder.

Rowan Weir: (Shareholder): Hello, (a) I'm still alive and, (b), this is probably irrelevant, but I just wondered now that China has re-entered the market for buying our wine, will there be obviously a difference in cost, won't there? I know it's not relevant to the matter, but it's relevant to the cost of wine.

Ari Mervis: Thank you very much for that question and may you be alive for many, many more years in good health. I think your question relating to the consequences of China re-opening and the impact on wine pricing is that that would be for the wine producers to determine how they intend deploying their wines into which geographies and to which areas and how they mean to do it. There's obviously different brands, different geographies and different price points, but I think we're very well positioned to continue to supply really good quality wines at good value prices and good offerings to all our shoppers.

Operator: Thank you.

Anne Brennan: Are there any further questions? Online?

Operator: The next online question is from Bruce Bennett. Please confirm how many shares you, Ari Mervis, hold in Endeavour Group and have these increased in the past year?

Anne Brennan: I'll answer on behalf of Ari but it's 100,000 shares. Any further questions online or on the floor?

Operator: There are no further questions at this time.

Anne Brennan: Sorry, number 4.

Operator: I would like to introduce David Kingston, a shareholder.

David Kingston: (Shareholder) Again just a quick one. In the presentation you have encouraged shareholders by indicating that from 2026 onwards you are expecting to deliver a 10% total shareholder return. Given the fact that that hasn't been delivered in recent years, Mr Chair, could you please clarify your level of confidence in achieving that 10% total shareholder return from 2026 onwards please. Thanks.

Ari Mervis: Thank you Mr Kingston. Appreciate the question. What we have said is that we believe that this is through the cycle objective. So we're looking at ensuring that under normal circumstances of normal interest rates, environments and also inflationary and cost pressure, that by that point in time we should continue to deliver it, and as I say, through the cycle doesn't mean absolutely every single year; it means that through a normal cycle a company like this, with such terrific assets and brands at its disposal, and having such a talented team, should be able to, over the course of time, be able to generate such returns.

Anne Brennan: Thanks Ari. Did you have another question?

David Kingston: (Shareholder) Just a follow up to that. Hello, yes, can I just clarify Mr Chair, why is that target from 2026 onwards rather than 2025?

Ari Mervis: I think, Mr Kingston, that when it was presented as a target in December last year, the Company was aware of all the initiatives that needed to be undertaken and all the projects that they disclosed to the market they were undertaking in order to get themselves into that type of position and sets it out as an ambition and, as stated, through the cycle target, not as a short term number specifically.

Anne Brennan: Any final questions? As there are no further questions, I'll now put the Resolution to the meeting. Displayed on the screen – yes, they are – are the direct and proxy votes received in relation to this Resolution. For those in the room, please now mark your voting card in relation to Item 2A, Ari Mervis'

election. For those online, if you wish to cast a vote please click the submit vote button. I will now pass back to Ari.

Ari Mervis: Thanks Anne, and thank you shareholders and thank you also for those questions. I will now move to Item 2B which is for the election of Peter Margin, who in accordance with the Constitution retires as a Director and offers himself for election. Peter joined the Board, as I mentioned earlier, in March of this year. He is a member of the Audit, Risk and Compliance Management Committee, the Transition Committee and the Nominations Committee.

Peter's knowledge of the food, liquor and dairy industries brings a deep consumer lens to the Board's deliberations. His business acumen, leadership and listed company experience have, and will continue, to bring significant benefits to the Board. The Board considers Peter to be an Independent Director. The Board, with the exception of Peter, recommends the election of Peter Margin. I now invite Peter to address the meeting.

Peter Margin: Thank you Ari and good morning ladies and gentlemen. I'm very grateful for the opportunity to address you today on my election to the Endeavour Board, following my appointment as a Director in March of this year.

My career in the food, beverage and dairy industry spans over four decades – it's a long time – culminating in the executive roles at prominent Australian and international companies. I served as the Chief Executive and Managing Director at National Foods and also at Goodman Fielder and most recently as Executive Chairman of Asahi Holdings Australia. Prior to these roles I held senior positions at Pacific Brands, East Asiatic Company, HJ Heinz Australia and Simplot Australia. Currently I chair Golf Australia and serve as Deputy Chairman of Bega Cheese.

My past non-Executive Director roles include Chairman of Asahi Holdings Australia, Chairman of Huon Aquaculture Group and additionally I've held Director positions at the Costa Group Holdings, PMP, Nufarm and Pact Group Holdings. My extensive experience has equipped me with a profound understanding of the consumer market and a proven ability to contribute to strategic decision making.

I'm confident that my expertise and an independent perspective will be invaluable in guiding Endeavour's future growth and success. I'm committed to serving the best interests of Endeavour and its shareholders and with your support I look forward to the opportunity to continue contributing to the Endeavour Board. Thanks ladies and gentlemen.

Ari Mervis: Thank you Peter. For those of you in the room, if you'd like to ask Peter any questions please can you move to a microphone and we'll start with microphone number 4.

Operator: Chairman, I would like to introduce you to David Kingston.

David Kingston: (Shareholder) Chair, appreciate the insights of Peter Margin as to whether the 2026 target over a cycle of 10% total shareholder return – is that conservative, is it soft, how confident is Peter Margin achieving it? I presume the RIOC of Endeavour is higher than that. It's particularly relevant, Chair, given the loss of shareholder value over recent years. Most shareholders are vitally focused on total shareholder return. It's been a challenging couple of years.

Thank you for your clarification before, but I'd appreciate Peter Margin's views about whether 10% over a cycle, from 2026, is that a low ball target, is it highly conservative or do you think you can achieve a lot more Mr Margin? Thank you.

Peter Margin: Thanks Mr Kingston. Simple answer, I think it's a realistic target that has been put in place. There's no doubt that if you look at the assets that this organisation has at the moment, they are outstanding, whether that be through Dan's, through BWS or through the Hotels and gaming business. I think as has been highlighted by Steve and Ari to this point, there is no doubt that the organisation is facing a few headwinds at the moment, most particularly through the macroeconomic environment, but I think coming out of those headwinds provides opportunities for improving the performance of the organisation.

Most of the businesses – and I must be a glutton for punishment – that I've worked in, have at one point or another faced pretty serious headwinds, and I relish the opportunity to look at opportunities of improving performance, whether that be the cost position of the Company or indeed its market position. I think given where we are placed currently, I think there are opportunities in both areas. So I'm excited by what I see in front of us. There's no doubt there'll be a few speed bumps along the way, but there's no doubt that this organisation has significant potential.

Ari Mervis: Thanks Peter. Any other questions from the floor? We have a question at microphone number 3.

Operator: Chairman, I would like to introduce Charlie Kingston, a shareholder.

Charlie Kingston: (Shareholder) Thank you. I'd just also like a similar question to what I asked previously but for Peter, given I think you've been on the Chair of Bega, which owns a lot of great brands, but over 10 years the stock has done next to nothing. I think it's a tiny positive performance but very tough sector when you just own the brands. Nufarm, there's a lot of agricultural risk within that company. That company is down significantly over the past 10 years.

I think you're on the Board of Costa, that was miles off its high when it had to be taken over by private equity again. So agriculture is clearly very tough and just owning brands is very tough, so just specific to Endeavour and its pursuit of Pinnacle etc., and taking on more agricultural risk through buying vineyards etc., what are your broad thoughts going forward, what should be the focus, should we just be focusing on being a great retailer or should we be taking on more agricultural risk etc., just given your experience please?

Peter Margin: Thanks Mr Kingston. In terms of the – and maybe Bega's a good example because you brought it up as part of your question – you go back 10 years, Bega was very much a commodity based business and I think it was something like 80% of its business was in commodities, 20% in brands. It's now 85% in brands and 15% in commodities and I think by most measures now Bega is probably out beating the rest of the dairy industry by some considerable margin. So there's been significant change, but I think coming with that there's the opportunity to re-engineer, redesign these business. So I think Bega is a classic example of what you can do.

I think in terms of what our agricultural risk is within Endeavour, I think it's appropriate for what we have at the moment. I think coming into this business I came in with some scepticism about the portfolio of Pinnacle businesses, and I've said this to Steve up front, I've become a true believer since being in here for six months, but that doesn't mean I – or encourage Management to go and buy more assets in this area. I think what they have today is appropriate for the size of the business that they've got, I've visited many of those assets that we've got and I think they are exceptional in that regard and I think the Management team around that Pinnacle Group are doing a very good job. Thank you.

Ari Mervis: Thanks Peter. Thank you again Mr Kingston. Any further questions from the floor? Do we have any questions on the telephone?

Operator: Thank you. There are no questions on the telephone?

Ari Mervis: Thank you, and are there are any questions online?

Operator: Chairman, this question is from Stephen Mayne. This question is not strictly related to Peter Margin's election but is related to the broader issue of Board appointments. Could Peter and the Chair comment on why there was such a large gap between the resignation of Bruce Mathieson Jr. from the Board on 30 June and the appointment of Peter Hardy as his replacement nominee for the Bruce Mathieson Group? After all those public fights last year, this appointment had to be by agreement. Did we veto Ross Blair-Holt after his criticisms at last year's AGM?

Peter Margin: This is probably a question that should be addressed by the Chair I would suggest.

Ari Mervis: Thanks for the question Stephen. We've had a very constructive and engaging journey with the BMG Group, which culminated with the appointment of Peter Hardy as we announced, or the election or nomination of Peter Hardy, as we announced last week. We look forward to Peter bringing an enormous amount of value to the Company. He has an enormous amount of experience and skills in the hotel, gaming and regulatory environment, and look forward to working constructively with him as he joins the Board, subject to him receiving probity and other regulatory approvals. Any further questions online?

Operator: Chairman, there are no further online questions on this item of business.

Ari Mervis: Thank you. There being no further questions, I now put the Resolution to the meeting. Displayed on the screen are the details of the direct and proxy votes received in relation to this Resolution. For those in the room, please mark your voting cards in relation to Item 2B, Peter Margin's election. For those online, if you wish to cast a vote please click the submit vote button.

The next two items on the agenda relate to remuneration matters. The first of those is the adoption of Endeavour's Remuneration Report for the year ended 30 June 2024. The report outlines our remuneration framework and how it is governed. It also details how we determined reward outcomes for key management personnel for 2024.

Endeavour's remuneration framework has been designed to attract and retain talented individuals and to align executive reward to the Group's performance and delivery of strategic priorities. The remuneration framework for executives, with its mix of fixed remuneration and short term and long term incentives, aims at driving business performance in a sustainable and responsible way.

Outcomes for the executive KMP in financial year 2024 reflected an overall performance against a short term incentive score card target set for the Group. While we delivered growth in sales in a challenging environment, we only achieved in part our sales EBIT and safety targets. Unfortunately, our working capital performance was amiss.

Pleasingly, we continue to improve our customer performance and achieved our customer targets. This overall level of performance resulted in 60% funding for the STI for F24 and modest outcomes awarded to executives. The long term incentive allocated in F22 was tested in F24. Disappointingly, we did not achieve our relative total shareholder return or returns on funds employed performance expectations.

Our progress and performance in delivering the leading and responsibility initiatives was pleasing. However, given the miss on the relative total shareholder return, our OP targets and how this has impacted shareholders, the Board did not assess that leading and responsibility performance and determined that there would be no vesting of this grant. Shareholder experience is paramount when assessing short and long term reward outcomes and the Board strongly believes that the executive experience must align with the shareholder outcomes.

Before moving to questions, I would like to comment on the remuneration framework review undertaken during 2024. Three years post listing the Board took the opportunity to undertake its first major review of Endeavour's remuneration framework. Adjustments to the framework were made to the short term and long term incentive measures and weightings, to ensure Endeavour's reward settings continued to support our strategic and business objectives and drive the right reward outcomes for shareholders.

The changes are effective from F25 onward. The key change to the short term incentive plans are that we have included a measure of a transition measure which is weighted at 10%. This measure focuses on the

critical program of work to complete the technology separation from Woolworths. Performance will be assessed and determined – assessed by determining the degree to which critical activities are delivered within the Board endorsed plan. As a result, we have reduced the weighting of our customer satisfaction measures from 20% to 10%, only for Group measures but not for the operations themselves.

Despite this change we remain committed to delivering and improving the sociability experiences that our customers enjoy. The Board will continue to consider the quality of underlying performance when determining short term incentive outcomes in any one year and may exercise discretion to ensure the right outcome for stakeholders.

Turning to the long term incentive plan, from F25 onward we have replaced the leading and responsibility measure weighted at 20%, with an earning per share metric weighted at 20%. Earnings per share can objectively measure the success of our strategy and is a key determinant of the shareholder value creation. While we experienced challenges in quantitatively measuring the impact of responsibility activity via a reward framework, we remain committed to leadership and a strong culture of responsibility for the industries in which we operate. As such, we will continue to report on our progress against responsibility initiatives and compliance performance in the sustainability report each year.

Importantly, our consequence management framework and Board discretion will continue to determine adjustments to potential vesting outcomes for the Group or for individuals where they are not aligned with our licence to operate.

If anybody has any questions relating to this advisory Resolution, please move to a microphone. If I may, I'll kick off with Mr Don Adams who requested to ask a question a little earlier in the meeting.

Don Adams: (Shareholder) Thank you Chairman. As I said earlier, I'm representing members of the Australian Shareholders' Association. Responsibility is a key for your business. Both alcohol and gambling can have adverse social consequences and so it's really [unclear] the Company to adopt responsibility. Generally speaking, we're not a big fan of subjective measures in remuneration calculations, but we think the move from leading in responsibility to another financial measure sends a signal that, under your leadership perhaps, the Company has decided that financial outcomes are going to be much more important than responsibility outcomes. Accordingly, we intend to vote against the Remuneration Report.

Ari Mervis: Thank you Mr Adams, and I'd like you to rest assured that compliance, similar to health and safety, are at the core of our business and the core of our licence to trade. They are critical to upholding the success and ongoing success of this business. We will continue to hold ourselves to the highest standards. We will continue to focus on ensuring that we provide safe and health environments for our team members and for our patrons, and hence the overlay of a consequence management framework provides us with the

opportunity to adjudicate in the event of us not operating up to our self-imposed very high standards. Microphone 4.

Operator: Chairman, I would like to introduce David Kingston, a shareholder.

David Kingston: (Shareholder) Quick comment Chair. I'd like to support the Board in its move towards financial outcomes so I respectfully disagree with the ASA spokesperson. I think most shareholders here are most focused on total shareholder return which is a combination of dividends and also a capital gain, so I thoroughly support the move towards financial goals. Thank you.

Ari Mervis: Thanks Mr Kingston and I think that's the beauty of the Company, that we have an ability to attract a wide array of shareholders with different views, and try and ensure that we manage it in a socially responsible and acceptable outcome for all stakeholders. Microphone 3.

Operator: Chairman, I have Charlie Kingston, a shareholder.

Charlie Kingston: (Shareholder) Thank you. Just a quick question noting the 10% EPS or return target, I believe, from 2026 onwards, which is great, but just specific to the performance measures on the rem, 40% of the weighting for the LTIs is relative TSR, which means if we fall less than the market or whatever the Group is, those can still vest, but EPS, which is probably going to be a key driver of the targets that you've referred to and which I think are most relevant, is only a 20% weighting. Why is that the case? Why is there nothing absolute in the target set please?

Ari Mervis: Charlie, if I understood the question correctly, it's why there's only a 20% weight on EPS? Is that correct?

Charlie Kingston: (Shareholder) Well, the target that's been mentioned a few times today is for that EPS and total return over 10% from 2026, but the alignment, or the LTI's vest based predominantly on a relative metric as opposed to an absolute, so that was my question. Sounds a bit misaligned.

Ari Mervis: Well I think what one has to appreciate is that the Board in setting target and setting long term incentives has to set them within the context of a broad environment and a broad macroenvironment and shareholders like yourself obviously have a choice as to where to deploy your funds. So where there is a relativity impact, if we're not outperforming our peer group then our shareholders have a choice as to where to deploy their funds.

The movement of the 20% from leading and responsibility to an EPS measure was carefully considered by the Board, both in the context of comments such as those made by the ASA and certainly by Mr Kingston and generally trying to come to what is the right and appropriate balance. The Board believe that we have navigated to that position and look forward to these goals and aspirations not only delivering superior return

for our shareholders but hopefully also rewarding our team appropriately. Are there any questions on the telephone?

Operator: Thank you. There are no questions on the telephone.

Ari Mervis: Thank you. Do we have any online questions?

Operator: Chairman, the question is from Stephen Mayne. Did any of the five main proxy advisers recommend a vote against any of today's resolutions, including this rem report item? If so, what reasons did they give and have there been any material protest votes? Please don't say they are confidential. It is standard for companies to be across this detail on the voting recommendations and inform shareholders where relevant without publishing the full proxy adviser reports of course.

Ari Mervis: Stephen, thanks. Thanks very much for that. Yes, certainly the five larger proxy advisers have all published the reports, the ACSI, Ownership Matters, Glass Lewis, ISS and the ASA. Four of the five proposed voting in line with all four resolutions. The ASA was the exception and, as mentioned by their representative, Don Adams, today, they've decided to propose voting against the Remuneration Report and have further indicated that at the point of issuing their report they were undecided on my election. Any other questions online?

Operator: Chairman, there are no further online questions at this point in time.

Ari Mervis: Thanks very much. There being no further questions on the Remuneration Report, I now put the advisory Resolution to the meeting. On the screen are details of the proxy of the direct and proxy votes received in relation to the Resolution. Again, for those in the room, please mark your voting card in relation to Item 4 (sic), adoption of the Remuneration Report. For those online, if you wish to cast a vote please click the submit vote button.

Item 4 is for the grant of performance share rights under the Long Term Incentive Plan to the CEO, Steve Donohue. The LTI plans aims to focus the efforts of participants on achieving superior performance for Endeavour's key stakeholder group, being you, its shareholders, its customers and the community. Shareholder approval is sought to grant a maximum of 561,428 performance share rights to Steve under the long term incentive plan as part of his financial year 2025 remuneration arrangements.

As discussed earlier, Steve will step down as CEO by September next year, or potentially earlier at the election of the Board. For clarity, the performance rights granted to Steve under the F25 long term incentive award will be pro-rated up to the cessation date of his employment. For illustrative purposes, this means that if Steve steps down in September 2025, 233,928 performance share rights will remain on foot, which equates to 15 months that he has served as CEO of the three year 2025 LTI performance period. If shareholder

approval is received to grant the award to Steve, the performance share rights will continue to be held on Steve's behalf until assessed for vesting and subject to the plan's rules.

While approval is being sought for the maximum potential reward, Steve will only receive value from the pro-rated performance share rights after the three year performance period if the performance conditions are met and subject to the conditions I just spoke about.

Any vesting of performance rights will be assessed by the Board at 1 July 2027. As always, vesting is subject to Board discretion. If circumstances warrant, the Board may adjust vesting outcomes, including if they are not considered reflective of actual performance. The performance measure, weightings and vesting conditions are described in detail in the Notice of Meeting and the changes for F25 have been mentioned earlier.

In summary, 40% of the award is subject to a relative total shareholder return measure against the comparator group of the 100 largest companies by market cap on the ASX over a three year performance period. 40% of the award is subject to a return on funds employed measure, calculated by dividing Endeavour's EBIT for the previous 12 months as a percentage of the previous 13 months' average funds employed, which is net assets excluding net debt, lease liabilities, other financing related assets and liabilities and net tax balance.

The calculation methodology for determining return on funds employed was also revised during the remuneration framework review to provide flexibility to the Board to determine the treatment of significant items. This is to ensure that there are no unintended gains or losses in long term rewards.

Finally, 20% of the award is subject to an earnings per share measure, calculated by dividing Endeavour's actual net profit after tax attributable to Endeavour's shareholders by the weighted average number of shares on issue. If shareholders do not support the allocation of the performance share rights to the CEO for F25 LTI, it will be allocated in cash. The Board recommends, with Steve abstaining, that you vote in favour of this Resolution.

Please move to a microphone if you have any questions or comments on this Resolution. Microphone 4.

Operator: Chairman, I would like to introduce you to Charles Weeks, a shareholder.

Charles Weeks: (Shareholder) Thank you. Mr Chairman, I think you people up there as a whole Board have failed us shareholders. This man should've been asked to stand down months ago and then now you want to give him performance shares. Surely you people consider us shareholders and not just look after your mates? Thank you.

Ari Mervis: Thank you Mr Weeks. I'll take that as a comment. Microphone 5.

Operator: Chairman, I would like to introduce Trevor Gibb, a shareholder.

Trevor Gibb: To the Chair. I'd like to thank you for keeping the meeting on track. There's nothing worse than going to an AGM, two hours and you're still talking about the financial report. It's well done on your part. The way that you were saying the way we're going to progress and 10% etc. like that, I reckon it's a positive time for taking up the opportunity on share weakness and I can happily get on the aircraft this afternoon and fly back to Perth. Thank you.

Ari Mervis: Thank you very much for that Mr Gibb. Thank you for your support. Are there any questions on the telephone?

Operator: Thank you. There are no questions on the telephone.

Ari Mervis: Do we have any questions online?

Operator: Chairman, there are no questions online at this point in time.

Ari Mervis: Thanks very much. There being no further questions I'll now put this Resolution to the meeting. On the screen are details of the direct and proxy votes received in relation to this Resolution. Those in the room please mark your voting card in relation to Item 4, approval of the grant of performance share rights to the CEO for the F25 Long Term Incentive Plan. For those online, if you wish to cast a vote, once again, please click the submit vote button.

Shareholders, that now concludes discussions on all the items of business on today's agenda. I declare that the poll will close 10 minutes after the meeting closes. Please complete your voting card for each resolution and submit it in the online portal or place it in the poll box with the share registry representative as soon as you leave the room. As mentioned earlier, the results of the poll will be released on the ASX later today and published on our website. A transcript of today's proceedings will also be available on the website in due course.

On behalf of your Board, I would like to thank you for your support and for your attendance today. For those of you in Sydney, my fellow Directors and I welcome you to join us and Endeavour's senior executives and Directors elect for a light refreshment in the foyer. For those attending virtually, thank you for your participation in our meeting. I now declare the meeting closed.

[END OF TRANSCRIPT]