

10 August 2023

ASX Market Announcements Office
Australian Securities Exchange
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Reporting changes to be made at F23 results

Attached is an announcement about reporting changes to be made at the release of Woolworths Group's F23 results on 23 August 2023.

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Reporting changes to be made at F23 results

Woolworths Group will be making several changes to its reporting at its F23 results to be released on 23 August with F22 comparative numbers to be restated accordingly. The changes primarily relate to the presentation of gross profit (GP) and will reclassify the cost of the Group's distribution centres (DCs) from cost of doing business (CODB) to GP. The other key change will be to reallocate Australian Food eCommerce overheads that were recorded in GP to CODB. The changes will not impact Group earnings before interest and tax (EBIT) or net profit after tax.

Woolworths Group CEO, Brad Banducci, said: "The changes to GP and CODB reporting will result in all supply chain costs being reflected in GP as opposed to our previous treatment where freight costs were in GP but the cost of running DCs was in CODB. Importantly, this revised treatment will result in better visibility of the overall margins of the products we sell to enable appropriate accountability and support better end-to-end decision making."

In addition, Woolworths at Work (the Group's B2B-focused eCom business) will no longer be reported as part of Australian B2B in the F23 results but will move back to WooliesX in the Australian Food segment. This will better reflect the integrated nature of Woolworths at Work within Australian Food, in particular, the fulfilment of Woolworths at Work orders from supermarkets and customer fulfilment centres.

The attached appendix includes restated figures¹ for F21, F22 and H1 F23 assuming that these changes had been in place.

1. The restated figures represent adjustments that will be audited as part of the 2023 Financial Report
2. Supply chain services to Endeavour Group only commenced from F22 following the demerger. PFD also included from F22 following its acquisition

Note: All references to sales, EBITDA and EBIT are from continuing operations before significant items. Figures in bold have been restated. Percentages are based on unrounded numbers

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RESTATED¹

Australian Food (\$m)	H1 F23	H1 F22	F22	H1 F21	F21
Sales	24,560	23,919	45,740	23,098	43,746
EBITDA	2,317	2,047	4,044	2,089	3,940
EBIT	1,428	1,209	2,406	1,309	2,397
Gross margin (%)	27.9	27.2	27.4	26.6	26.8
CODB (%)	22.1	22.1	22.1	21.0	21.4
EBIT (%)	5.8	5.1	5.3	5.7	5.5

Australian B2B ² (\$m)	H1 F23	H1 F22	F22	H1 F21	F21
Sales	2,258	1,840	3,684	521	985
EBITDA	101	76	154	36	59
EBIT	49	26	56	17	28
EBIT (%)	2.1	1.4	1.5	3.3	2.8

New Zealand Food (\$m NZD)	H1 F23	H1 F22	F22	H1 F21	F21
Sales	4,079	4,027	7,563	3,717	7,146
EBITDA	286	353	611	333	633
EBIT	122	200	316	194	361
Gross margin (%)	22.8	23.2	23.2	23.2	23.3
CODB (%)	19.8	18.2	19.0	18.0	18.3
EBIT (%)	3.0	5.0	4.2	5.2	5.0

PREVIOUSLY REPORTED

Australian Food (\$m)	H1 F23	H1 F22	F22	H1 F21	F21
Sales	24,385	23,780	45,461	22,988	43,509
EBITDA	2,324	2,054	4,055	2,096	3,954
EBIT	1,439	1,217	2,420	1,317	2,413
Gross margin (%)	30.7	30.2	30.4	29.5	29.7
CODB (%)	24.8	25.1	25.1	23.7	24.1
EBIT (%)	5.9	5.1	5.3	5.7	5.5

Australian B2B (\$m)	H1 F23	H1 F22	F22	H1 F21	F21
Sales	2,433	1,979	3,963	631	1,222
EBITDA	94	69	143	29	45
EBIT	38	18	42	9	12
EBIT (%)	1.5	0.9	1.1	1.4	1.0

New Zealand Food (\$m NZD)	H1 F23	H1 F22	F22	H1 F21	F21
Sales	4,079	4,027	7,563	3,717	7,146
EBITDA	286	353	611	333	633
EBIT	122	200	316	194	361
Gross margin (%)	25.2	25.2	25.4	25.0	25.3
CODB (%)	22.3	20.2	21.3	19.8	20.2
EBIT (%)	3.0	5.0	4.2	5.2	5.0

RESTATED¹

BIG W (\$m)	H1 F23	H1 F22	F22	H1 F21	F21
Sales	2,708	2,348	4,431	2,581	4,583
EBITDA	239	122	245	224	348
EBIT	134	25	55	133	172
Gross margin (%)	31.9	31.1	31.5	32.5	32.2
CODB (%)	27.0	30.0	30.3	27.4	28.5
EBIT (%)	5.0	1.1	1.2	5.1	3.7

Group (\$m)	H1 F23	H1 F22	F22	H1 F21	F21
Sales	33,169	31,894	60,849	29,535	55,733
EBITDA	2,924	2,596	5,051	2,610	4,843
EBIT	1,637	1,382	2,690	1,554	2,764
Gross margin (%)	26.6	26.1	26.2	26.6	26.8
CODB (%)	21.7	21.8	21.8	21.3	21.8
EBIT (%)	4.9	4.3	4.4	5.3	5.0

PREVIOUSLY REPORTED

BIG W (\$m)	H1 F23	H1 F22	F22	H1 F21	F21
Sales	2,708	2,348	4,431	2,581	4,583
EBITDA	239	122	245	224	348
EBIT	134	25	55	133	172
Gross margin (%)	33.4	32.9	33.4	33.7	33.6
CODB (%)	28.5	31.8	32.1	28.6	29.9
EBIT (%)	5.0	1.1	1.2	5.1	3.7

Group (\$m)	H1 F23	H1 F22	F22	H1 F21	F21
Sales	33,169	31,894	60,849	29,535	55,733
EBITDA	2,924	2,596	5,051	2,610	4,843
EBIT	1,637	1,382	2,690	1,554	2,764
Gross margin (%)	29.8	29.5	29.7	29.1	29.3
CODB (%)	24.9	25.1	25.2	23.8	24.3
EBIT (%)	4.9	4.3	4.4	5.3	5.0