

The background features a large, stylized, light gray logo consisting of the letters 'W', 'H', and 'L' in a bold, sans-serif font. The 'W' is on the left, 'H' is in the middle, and 'L' is on the right. They are all connected and have a slightly irregular, blocky appearance.

WOOLWORTHS HOLDINGS LIMITED

ANNUAL RESULTS

FY22

PRESENTATION OUTLINE

01

OVERVIEW
OF THE YEAR

02

FINANCIAL
OVERVIEW

03

UPDATE AND
OUTLOOK

OVERVIEW OF THE YEAR

Roy Bagattini
Group CEO

OVERVIEW OF THE YEAR

WHL

Notable progress strategically, financially and operationally, notwithstanding challenging macros

- A year characterised by a **tale of two halves**
 - **First half negatively impacted** by extended lockdowns in Australia
 - **Significant improvement in second-half** performance - **sales +5.6%**, **aEBIT +26%**, and **adHEPS +44%** – far more representative of our ability to trade under normalised conditions
- **Revenue +2.6%** and **adHEPS +9.7%** for the year
 - **Encouraging performance in FBH**, particularly in quality of sales and profitability
 - **Food** growth rate below expectation
 - Strong **rebound in Australian businesses**
 - **Group online sales +16.4%** - now 12.4% of total Group sales

H2 adHEPS	FY22 normalised aEBIT
+44%	+18%
on LY	on LY



OVERVIEW OF THE YEAR (CONT.)

WHL

- **Enhanced focus on capital allocation**
 - **Healthiest balance sheet since 2014** – reduced debt by R12bn in two years | net cash positive
 - **Repatriation of R1.5bn** from David Jones
 - **Dividend payout ratio of 70%** in respect of WSA and CRG second half earnings
 - **Share buyback** of R1.5bn
 - Continued **re-investment in our businesses**, particularly in digital and data



Total dividend up
c.248%
on LY

Share buyback of
R1.5BN



GBJ HIGHLIGHTS

WHL

GBJ is the way we run our business and is at the heart of everything we do

- **Retailer firsts:**
 - **Publish the list of suppliers** that manufacture our apparel products
 - **100% responsible sourcing** in private label products - cotton, palm oil and cocoa
 - **Rollout electric vehicles** for Food online home deliveries
 - **>80% of debt linked to ESG targets**
 - **UN Women's Empowerment Principles signatory**
- **Top sustainability brand** in the 2022 Kantar BrandZ awards
- Contributed **c.R1bn to corporate social investments**
- **Donated c.R800m of surplus food** to charities and **c.R80m to The Clothing Bank**
- Continued progress on our **'Just Wage' initiative**



WSA hourly wage rate
>60%
minimum wage rate

WSA hourly wage rate
>25%
retail sector minimum wage



**OUR REAL DIFFERENCE
IS THE PASSION AND
COMMITMENT OF OUR PEOPLE
AND PARTNERS, AND THE
ONGOING LOYALTY AND TRUST
OUR CUSTOMERS HAVE IN US -
THANK YOU**



FINANCIAL OVERVIEW

Reeza Isaacs
Group Finance Director

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

FINANCIAL OVERVIEW

WHL

- Full year aPBT up 11.0%, notwithstanding H1 lockdowns in Australia
- Strong momentum – very pleasing H2 result: aEBIT +26%; aPBT +50%; adHEPS +44%
- Robust balance sheet – Group net cash of R229m
- Repatriated R1bn from David Jones to WHL | Further R0.5bn planned for H1 FY23
- Working capital and costs tightly managed
- ROCE up 190bps to 16.8% – enhanced focus on capital efficiency
- Healthy cash generation – FCF per share of 448.3cps | Cash conversion at 101%
- Full-year dividend +248%
- R1.5bn (2.85%**) shares repurchased

Turnover and concession sales

R87.0bn

+2.6% on LY*

aPBT

R5.1bn

+11.0% on LY

adHEPS

374.9cps

+9.7% on LY

Return on capital employed

16.8%

(2021: 14.9%)

aEBIT

R7.0bn

+0.9% on LY

(+17.8% on normalised basis)

Net cash

R229m

WSA net debt: R3.5bn | Aus net cash: A\$335m

Net debt/EBITDA: 1.6x (1.7x LY)

Total dividend of

229.5cps

+247.7% on LY

Free cash flow per share

448.3cps

+13.4% on LY

(2021: 395.3cps)

* Constant currency

** Excluding treasury shares

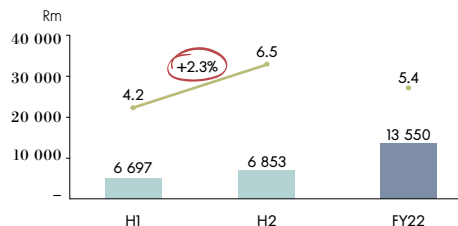
WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

SALES PERFORMANCE

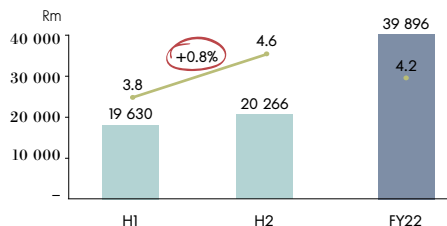
WHL

Improved momentum across all businesses in H2; Strong Australia rebound post H1 lockdowns

WOOLWORTHS FASHION, BEAUTY AND HOME



WOOLWORTHS FOOD



South Africa

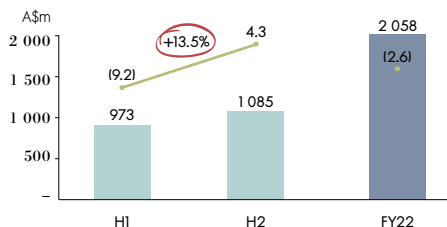
FBH

- Strong full-price sales | Improving product resonance | Pleasing gains in 'must-win' categories

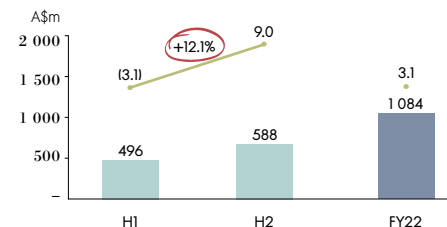
Food

- Softer than expected full-year growth, notwithstanding improvement through H2

DAVID JONES



COUNTRY ROAD GROUP



Australia

- Extended govt lockdown impacted >70% of stores
- Strong rebound with momentum continuing through H2
- Strong performance from Country Road and Trener brands, in particular

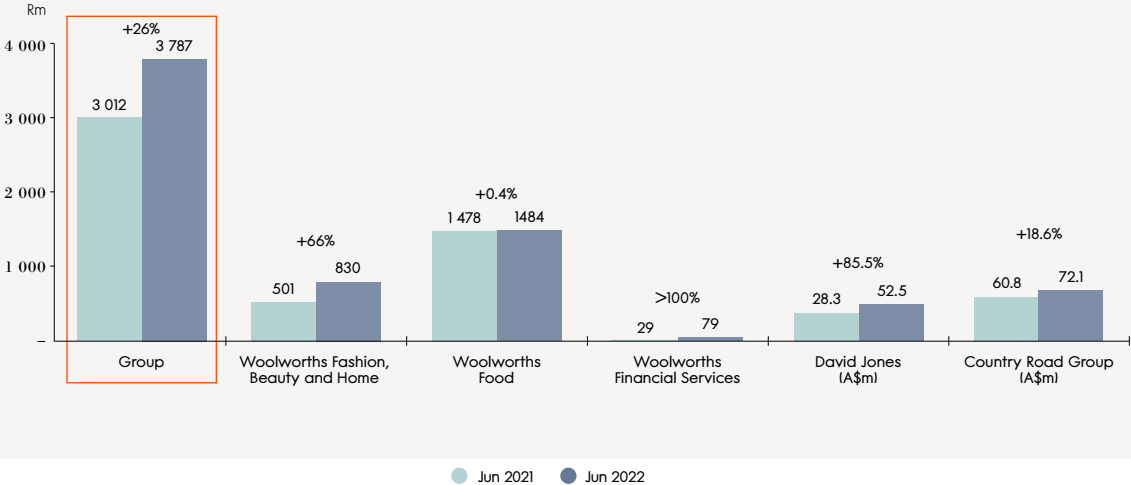
● Sales ● % on LY

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

H2 EBIT

WHL

H2 aEBIT +26% on LY driven by very pleasing FBH, DJ and CRG performances

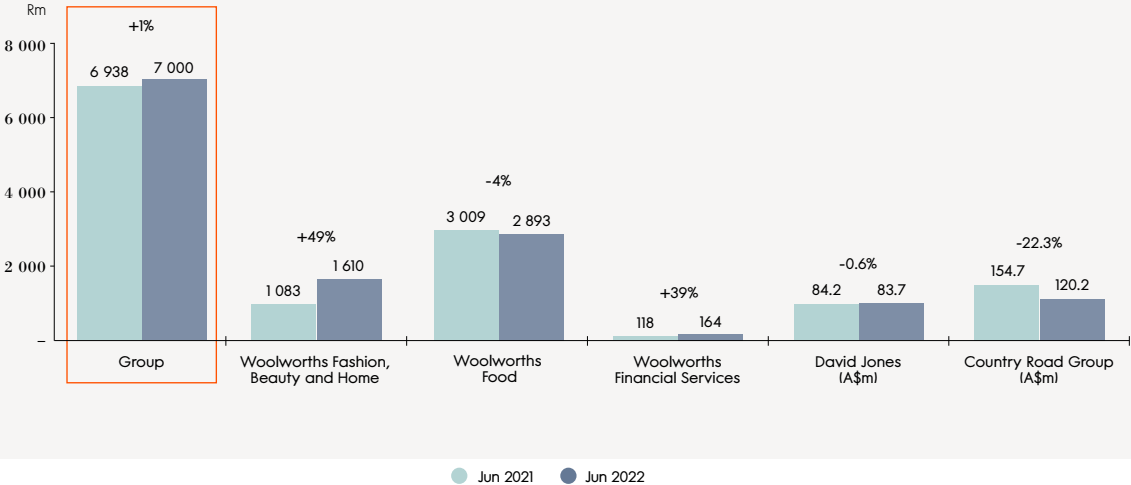


WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

FULL YEAR EBIT

WHL

Group aEBIT non-comparable to prior year, due to H1 lockdowns and disrupted base

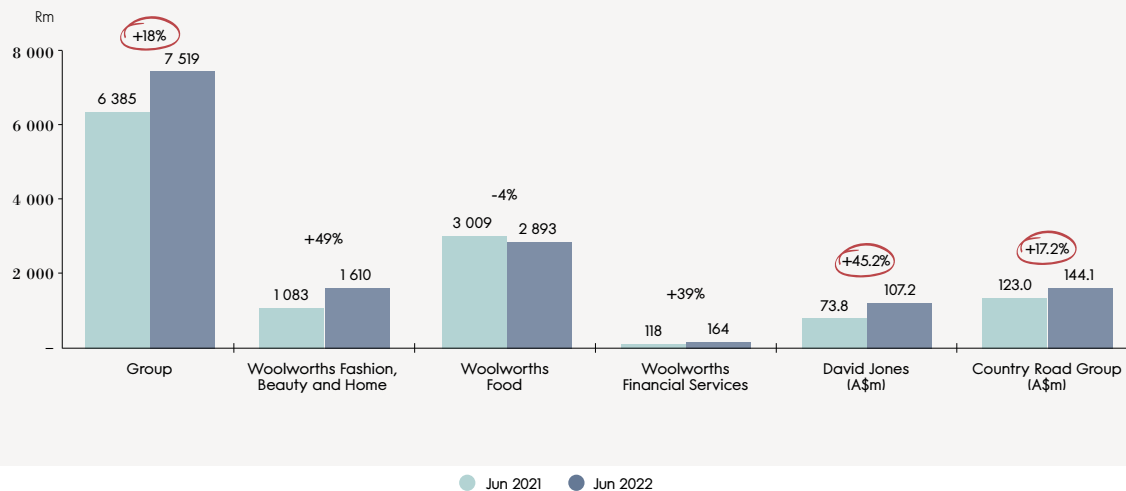


WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

FULL YEAR NORMALISED EBIT

WHL

Growth +18%, after adjusting for lockdown-related impacts (JobKeeper, rent relief, etc.)



WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

WOOLWORTHS FASHION, BEAUTY AND HOME

Pleasant earnings recovery with solid progress across all key metrics

	H2 2022 Rm	H2 %	Full year 2022 Rm	Full year 2021 Rm	% change
Turnover and concession sales	6 853	6.5	13 550	12 860	5.4
Adjusted gross profit margin	48.8%		47.6%	45.5%	
Expenses	2 516	4.4	4 867	4 783	1.8
Adjusted EBIT	830	65.7	1 610	1 083	48.7
Adjusted EBITDA	1 211	33.2	2 385	1 920	24.2
EBIT margin	12.1%		11.9%	8.4%	

- H2 sales +6.5% | Full-price sales +8.8%
- Full-year comparable sales +7.3% | Price movement of 6.0%
- Improving product resonance | Smaller clearance sales | Market share gains in 'must-win' categories
- Beauty +16.2%, driven by new brand and product strategy
- Online +13.2%, now 4.4% of SA sales
- 4.5% reduction in trading space | Trading densities +10%
- GP margin +210bps | Higher full-price sales and lower markdowns
- Expenses well controlled | Store costs down 1.7%
- Δ EBIT +48.7% | EBIT margin +350bps to 11.9%

Δ EBIT growth
48.7%



WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

WOOLWORTHS FOOD

aEBIT growth impacted by high base, and investment in strategic initiatives, including online

	H2 2022 Rm	H2 %	Full year 2022 Rm	Full year 2021 Rm	% change
Turnover and concession sales	20 266	4.6	39 896	38 286	4.2
Adjusted gross profit margin	24.0%		24.0%	24.5%	
Expenses	3 368	5.2	6 690	6 327	5.7
Adjusted EBIT	1 484	0.4	2 893	3 009	(3.9)
Adjusted EBITDA	1 932	(0.2)	3 790	3 918	(3.3)
EBIT margin	7.3%		7.3%	7.9%	

- Trading momentum improved through H2
- Full-year comparable sales +3.1%, with price movement of 3.5% and underlying product inflation of 3.9%
- Low inflation in key categories, such as produce and poultry
- Online sales +45.4%, now 3.2% of SA sales, supported by continued Dash rollout
- GP margin -50bps due to growth in online, supply chain costs and a level of price investment
- EBIT margin remains industry leading, and in line with medium-term guidance



WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

WOOLWORTHS FINANCIAL SERVICES

Improved performance underpinned by higher demand and strong collections

	Jun 2022 Rm		Jun 2021 Rm		% change
Average total financial services assets	13 181		13 054		1.0
Income statement		% to book		% to book	
Interest income	1 854	14.1	1 665	12.8	11.4
Interest paid	452	3.4	399	3.1	13.3
Net interest income	1 402	10.6	1 266	9.7	10.7
Impairment charge	614	4.7	690	5.3	(11.0)
Risk-adjusted margin	788	6.0	576	4.4	36.8
Non-interest revenue	865	6.6	778	6.0	11.2
Operating costs	1 197	9.1	1 021	7.8	17.2
Profit before tax	456	3.5	333	2.6	36.9
Tax	128	1.0	98	0.8	30.6
Profit after tax	328	2.5	235	1.8	39.6
Return on equity	18.4%		13.6%		

- Closing book +6.8%, driven by credit card demand and recovery in consumer spend
- Market-leading impairment rate of 4.7%, reflective of strong collections
- Net interest income +c.11%, driven by book growth and repo rate increases
- Non-interest revenue up, due to increase in card transactions
- ROE well above cost of capital



WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

DAVID JONES

Notwithstanding H1 disruption, focus on trade and cost control drove strong cash generation

	H2 2022 A\$m	H2 %	Full year 2022 A\$m	Full year 2021 A\$m	% change
Turnover and concession sales	1 085.0	4.3	2 058.1	2 112.1	(2.6)
Gross profit margin	35.3%		35.2%	35.2%	
Expenses	341.2	(5.1)	661.1	685.6	(3.6)
Financial services operating profit	10.4	(36.2)	20.3	25.6	(20.7)
Adjusted EBIT	52.5	85.5	83.7	84.2	(0.6)
Adjusted EBITDA	123.1	29.3	223.1	221.7	0.6
EBIT margin	4.8%		4.1%	4.0%	

- Strong rebound post lifting of lockdown restrictions
- Space reduced by a further 2.6% in the year | Cumulative space reduction in line with target
- Online sales +28.7%, contributing 22.8% to total sales for the year
- GP margin maintained, notwithstanding clearance of H1 inventory build-up
- Cost-out initiatives delivered 3.6% reduction in expenses (notwithstanding JobKeeper and rent relief in base)
- Normalised aEBIT +45%, after adjusting for lockdown-related impacts
- Healthy cash generation, ending period with A\$215m in cash after A\$90m repatriated in March



COUNTRY ROAD GROUP

Strong performance underpinned by Country Road, Trenerly and Politix brands

	H2 2022 A\$m	H2 %	Full year 2022 A\$m	Full year 2021 A\$m	% change
Turnover	587.7	9.0	1 084.2	1 051.9	3.1
Gross profit margin	59.6%		59.5%	60.8%	
Expenses	278.3	2.3	527.2	487.3	8.2
Adjusted EBIT	72.1	18.6	120.2	154.7	(22.3)
Adjusted EBITDA	127.5	7.3	233.1	276.6	(15.7)
EBIT margin	12.3%		11.1%	14.7%	

- Strong rebound post lockdown, with H2 sales +9.0% (11.3% in comp stores), driven by new ranges and strong demand, notwithstanding 8.1% reduction in space
- Online sales +4.6% and contributing 31.6% to total sales
- Good performance and contribution from RSA, with sales +c.30%
- GP margin impacted by H1 inventory clearance and higher freight and supply chain costs
- Expense growth impacted by JobKeeper and rent relief in prior year base
- Normalised aEBIT +17%, after adjusting for impact of lockdowns and one-offs in FY21 and FY22



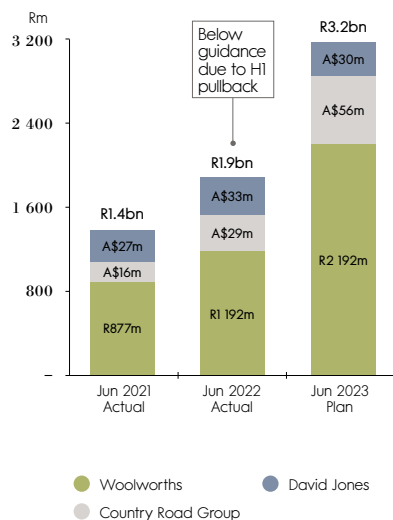
Normalised aEBIT up
17.2%

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

CAPITAL EXPENDITURE

WHL

FY23 – FY25 sees an acceleration of investments to drive growth in FBH, Food and Country Road Group, with upweighted focus on digital, data and online



FY23 Plan

- c.R10bn Group capex planned for the next 3 years (>70% in WSA), with upweighted focus on digital, data and online capabilities
- Reconfiguration of FBH value chain to support growth strategies
- WSA Food spend includes expansion of supply chain capacity and strategic growth initiatives
- CRG includes investment in fulfilment, new channels and online capability
- DJ focused on maintenance capex – fully funded from own cash flow

	Jun 2022	Jun 2021
ROCE	16.8%	14.9%
WACC	12.1%	11.4%

GROUP BALANCE SHEET

WHL

- Improved metrics on lower debt and higher equity position, notwithstanding resumption of dividends and share repurchases
- Robust balance sheet – WSA well within covenant limits | DJ and CRG in net cash position (A\$215m and A\$120m, respectively)
- >80% of WSA debt linked to ESG targets
- Lease liabilities 3.3% lower, driven by space reduction in apparel businesses, partially offset by lease renewals
- Lower net working capital, supported by ongoing focus on inventory management
- ROCE +190bps to 16.8%, driven by enhanced capital efficiency

Net cash
R229^m
R1.1bn net borrowings LY

Inventory
R8.7^{bn}
*+1.3% on LY**

Lease liabilities
R26.8^{bn}
*-3.3% on LY**

Net debt/EBITDA
1.6x
*(2021: 1.7x)
(including lease liabilities)*

Net debt/Equity
1.6x
*(2021: 2.1x)
(including lease liabilities)*

Working capital
R99^m
*(Inventory: -R0.4bn;
AR: -R0.3bn; AP: +R0.8bn)*

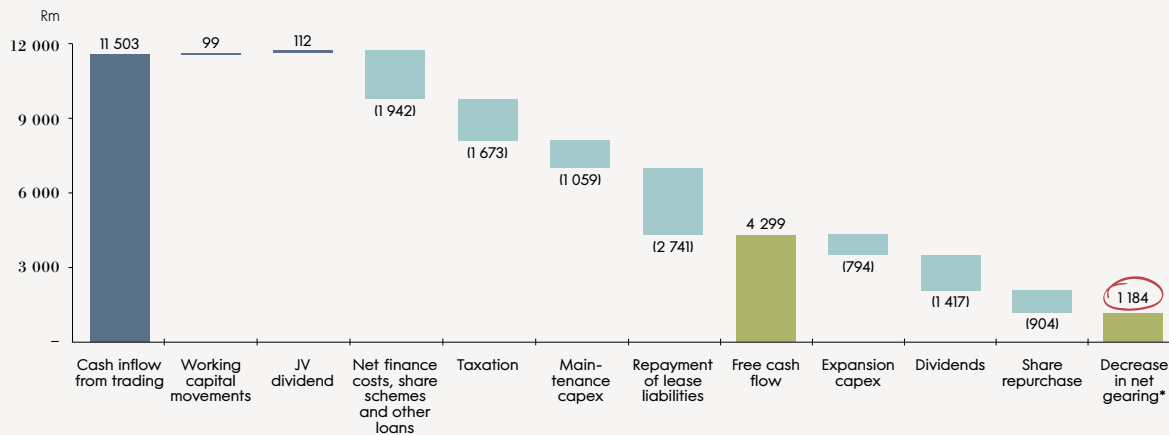
** Constant currency*

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

CASH GENERATION

WHL

Strong cash generation has enabled a 2.5x increase in dividends, a R1.5bn repurchase of shares, and a further R1.2bn reduction in net gearing – all notwithstanding the disrupted first half



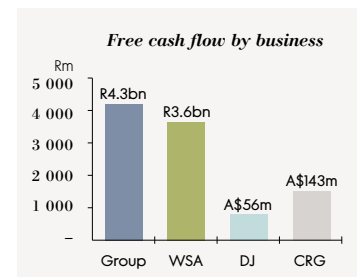
* Net gearing excludes R101m currency translation impact

CASH FLOW

WHL

Healthy cash generation across all businesses, with a conversion ratio of >100%

- Positive working capital movement, supported by ongoing focus on tight inventory management
- Free cash flow per share* +13.4% to 448.3cps (2021: 395.3cps)
- Cash conversion ratio** of 101% (2021: 99.8%)



* Free cash flow (before dividends, expansion capex and share repurchases) divided by WANOS

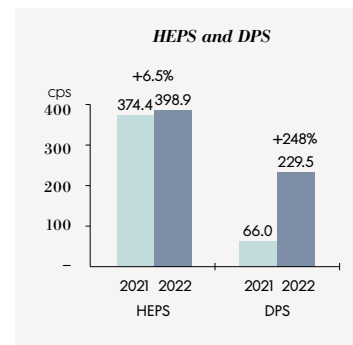
** Cash generated from operating activities as a percentage of Adjusted EBITDA

HEADLINE EARNINGS AND DIVIDENDS

WHL

WSA H2 dividend payout ratio increased to 70%, and resumption of dividends in respect of Country Road Group

- Final dividend of 149.0cps declared in respect of WSA and CRG second half earnings, representing a 70% payout ratio
- Overall HEPS +6.5% to 398.9cps, with full-year DPS +248% to 229.5cps
- DJ special dividend of A\$90m repatriated in March, with a further return of capital of A\$50m planned post year-end



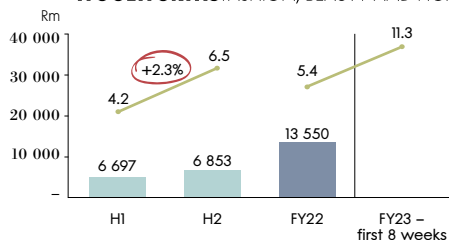
WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

RECENT TRADING

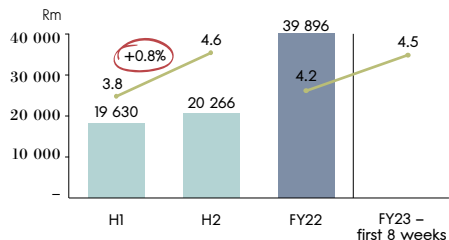
WHL

Positive trading momentum across our apparel divisions in first eight weeks of FY23; Food growth in July impacted by loadshedding

WOOLWORTHS FASHION, BEAUTY AND HOME



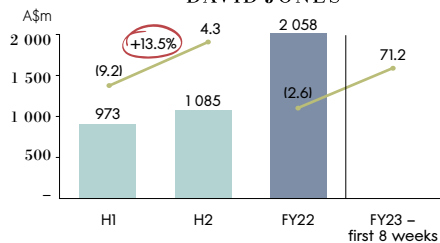
WOOLWORTHS FOOD



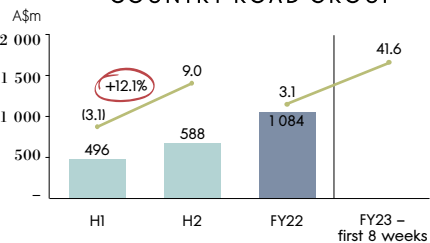
South Africa

- FBH +11.3% (comparable to LY)
- Food growth impacted by loadshedding during July | improved run-rate through August

DAVID JONES



COUNTRY ROAD GROUP



Australia

- Positive underlying momentum continues, albeit overall topline growth not directly comparable to LY given lockdowns

● Sales ● % on LY

UPDATE & OUTLOOK

Roy Bagattini
Group CEO

OUR STRATEGIC FRAMEWORK - A REMINDER



Our strategic framework leverages our competitive advantages in support of the Group's overarching growth ambitions



**WE ARE CONFIDENT
IN OUR CLEARLY DEFINED
STRATEGIES AND ARE NOW
FOCUSED ON EXECUTION**



TOP QUESTIONS FOR MANAGEMENT

1 | How does the improving performance of David Jones impact your plans for the business? And what does this mean for CRG?

2 | Your Food business appears to be underperforming. What are you going to do about it?

3 | It appears as if FBH is turning around. Where are you in this process, and what else can we expect to see?

TOP QUESTIONS FOR MANAGEMENT

Unlock and create value in Australia and New Zealand

**Question
1:**

How does the improving performance of David Jones impact your plans for the business? And what does this mean for CRG?

- Having successfully executed against our balance sheet and income statement priorities, we are now **evaluating all possible options to unlocking value for WHL and its shareholders**
- Continue to **focus on executing our strategies**, and **strengthening the business**
- **CRG now pursuing its own growth ambitions**
 - **Build on Country Road brand success** and replicate it across the portfolio
 - Explore **new markets and channels**
 - Continue to **lead the market in omni-channel** with upgraded loyalty programmes and headless digital infrastructure

WHL



TOP QUESTIONS FOR MANAGEMENT

WHL

Leading and iconic Food business

**Question
2:**

*Your Food business appears to be underperforming.
What are you going to do about it?*

- As a predominantly fresh business, **results were adversely and disproportionately impacted** by the high Covid base and severe loadshedding
- Our **biggest opportunity lies in growing our core business.** We are focusing on three key priorities:
 - Driving on-shelf **availability**
 - Amplifying our differentiated **value proposition**
 - Increasing our **market place presence**
- Dial-up our **marketing and customer engagement**
- Continue to drive **profitable growth** and sustain **market-leading returns on capital**



TOP QUESTIONS FOR MANAGEMENT

WHL

Fashion turnaround and growth in Beauty and Home

**Question
3:**

It appears as if FBH is turning around. Where are you in this process, and what else can we expect to see?

- Continue to execute '**edit to amplify**' Fashion strategy, and drive opportunities to **grow our market share in Beauty and Home** – single **biggest opportunity to reset value of the Group**
- Implementing a **more flexible, responsive sourcing model**, including increasing our local manufacturing component
- **Multi-year investment in FBH value chain** will transform our planning systems, processes and logistics
- **Nearing the end of space rationalisation**; new format **W Edit** coming on stream



OUTLOOK

We have a robust balance sheet and self-driven opportunities to drive revenue and profit across our business and are allocating capital accordingly

- Global macro outlook remains challenging
- **Australian consumers stand to benefit** from strong household balance sheets and low unemployment
- **In South Africa, consumers likely to remain under pressure** due to high unemployment and rising living costs
 - **WSA inflation** expectations of c.6% for Food and c.8% for FBH
- Our **robust balance sheet and self-driven opportunities** stand us in good stead to **grow both revenue and profit**, and we are allocating our capital accordingly to **enhance the overall returns metrics** of the Group
- Medium term (FY25) aEBIT margin % targets:
 - **CRG:** maintained at **>12%**
 - **Food:** maintained at **>7%**
 - **FBH:** increased to **>14%**

WHL



APPENDIX



FOCUS AREAS FOR FY23

WHL

We expect to continue making demonstrable progress against our strategic initiatives, to deliver on our commitments to you

1. **Evaluate all options iro David Jones to unlock value for WHL and its shareholders**; continue to improve its operational and financial performance as we do so
2. **Drive new CRG growth opportunities** whilst maintaining current momentum
3. **Relentlessly execute the FBH strategy** to permanently shift the trajectory of the business
4. **Drive positive profit growth in Food** and continue to **produce market-leading returns** by focusing on opportunities within our core and differentiated proposition
5. Continue to prioritise opex and capex towards **data and digital transformation**
6. **Continue leveraging existing wealth of data** to better inform decisions and processes
7. Become even **more effective and efficient in our ways of working** to drive a more agile and responsive organisation
8. Ensure that **sustainability remains central to everything we do**





**UNLOCK AND CREATE VALUE IN
AUSTRALIA AND NEW ZEALAND**

WHL

***STRATEGIC OBJECTIVE:** Improve the underlying operational and financial health of David Jones and drive the refreshed CRG growth ambition*

STRATEGIC INITIATIVES:

- Continue to **drive refreshed merchandise strategy in David Jones**
- **Further optimise real estate footprint**, reducing occupancy cost/sales ratios particularly in David Jones
- Maintain the **momentum of Country Road brand while driving new CRG growth opportunities**





FASHION TURNAROUND AND GROWTH IN BEAUTY AND HOME

WHL

***STRATEGIC OBJECTIVE:** Restore the underlying financial health of our Fashion business whilst growing profitable market share in Beauty and Home*

STRATEGIC INITIATIVES:

- **Further leverage customer data insights** to keep improving the relevance and appeal of our Fashion proposition, **focusing on 'must win' categories**
- Achieve **'right price, first time'**
- Invest in **value chain transformation** and grow **local manufacturing** component
- **Optimise physical footprint** while trialling new catalogues and formats
- Acquire **new customers**, leveraging WRewards, WFS, and third-party brands
- **Expand Beauty** offer in existing doors and introduce to new stores, including Africa
- **Grow market share in Home**, with particular focus on key categories, and leveraging online
- Drive **online personalisation and service** as differentiators across the business





LEADING AND ICONIC FOOD BUSINESS

WHL

STRATEGIC OBJECTIVE: *Reset our momentum and further expand our leadership position, by leveraging our foundation and fundamentals to aggressively grow our core*

STRATEGIC INITIATIVES:

- Anchor our proposition on our strengths of **quality, innovation and sustainability**
- Aggressively **grow our core**
 - Accelerate physical **space growth**, and test **new concepts, formats and layouts**
 - Drive **on-shelf availability, range consistency and localised offerings**
 - **Amplify our value equation**, highlighting our difference
 - Enhance **marketing and communication effectiveness**





DATA-DRIVEN DECISION-MAKING

WHL

***STRATEGIC OBJECTIVE:** Drive differentiation across our Group by re-prioritising operational and capital spend towards digital and data transformation*

STRATEGIC INITIATIVES:

- **Expand scope of already-established group-wide data organisation**, to elevate data analytics, and embed culture of data-driven decision making
- **Further leverage existing wealth of data** to better inform decisions and processes
- **Refresh loyalty** in all our businesses to enable greater differentiation and personalisation as a driver of increased engagement and incremental spend





ELEVATED OMNI-CHANNEL CUSTOMER EXPERIENCE

WHL

STRATEGIC OBJECTIVE: *Fast-track improving our online capability and capacity to provide customers with a seamless, quality shopping experience regardless of channel*

STRATEGIC INITIATIVES:

- **Improve profitability of online proposition** through scale, channel mix and channel efficiency
- Drive digital capacity and capability with ongoing **investing in talent and** fundamentally **changing processes and ways of working**
- Further leverage **opportunities, investments and learnings** across the Group
- **Elevate in-store service and experience**





PEOPLE AND LEADERSHIP

WHL

STRATEGIC OBJECTIVE: *Up-weight focus on compelling Employee Value Proposition (EVP)*

STRATEGIC INITIATIVES:

- Leverage **new operating model and leadership structure** in WSA, driving greater flexibility, agility, and accountability
- Further embed the **Inclusive Justice Initiative** across the Group to drive a culture that embraces diversity
- Continue to drive '**Just Wage**' initiative





GOOD BUSINESS JOURNEY

WHL

STRATEGIC OBJECTIVE: *Double down on our vision of being one of the world's most responsible retailers, as well as our purpose of adding quality to life*

STRATEGIC INITIATIVES:

- Achieve **sustainability targets to 2025 and beyond** focusing on three pillars:
 - **Inclusive Justice:** caring for our people and being committed to being a diverse and inclusive business, enhancing the wellbeing of our employees, customers, and communities
 - **Thriving and resilient:** caring for the environment and being committed to working towards net zero impact and a just transition to a low carbon future
 - **Ethical and fair:** caring for how our products are made and being committed to a fully transparent, traceable, and ethical supply chain
- **Meaningfully impact the communities** in which we operate and encourage **greater stakeholder collaboration**



WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

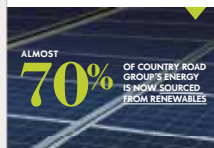


GBJ HIGHLIGHTS FOR THE YEAR

WHL

FIRST MAJOR SA RETAILER TO BECOME A SIGNATORY TO THE UN WOMEN'S EMPOWERMENT PRINCIPLES

A set of guidelines for companies for the promotion of gender equality and the empowerment of women in the workplace, supplier base and in communities.



David Jones continued to embrace
circular fashion
by partnering with Blue Spinach, to resell a capsule collection of pre-loved luxury brands on its website.



In a South African retail first, Woolworths announced the rollout of **ELECTRIC VEHICLES** for Foods Online deliveries.



In partnership with TerraCycle, **THE DAVID JONES BEAUTY TEAM WAS SELECTED AS A FINALIST**

In the 2022 Australian Packaging Covenant Our Packaging Future awards, over 2,000 items of hard-to-recycle beauty packaging have been collected to date.



Launched the Group-wide **INCLUSIVE JUSTICE INITIATIVE** to address systemic inequality in **PRACTICAL AND LOCALLY RELEVANT WAYS ACROSS ALL THE REGIONS**

in which we operate, with the primary initial focus on Inclusive Justice for Women.

86% OF COTTON & 94% OF LEATHER used in Country Road Group products are **responsibly sourced**

Achieved a responsible sourcing milestone –
100% of coconuts, palm oil and cotton used in Woolworths private label products are now **responsibly sourced**.

MORE THAN 90% 31% of Woolworths Food and... of Woolworths Fashion, Beauty and Home private label products are **locally sourced**

Country Road was the first Australian fashion retailer to partner with
THE GOOD CASHMERE STANDARD* to support responsible farming of this luxury fibre.

Community contributions during the year:

R970m
WOOLWORTHS
R25m
COUNTRY ROAD GROUP AND DAVID JONES



2660

employees across the Group received funding from the L46 Fund that provides once-off, short-term financial assistance to eligible employees during an emergency or other unforeseen circumstances.

NBL CEO Thought Leadership dialogue of which Woolworths **shared the journey to Inclusive Justice** — and the approach to building a **social justice ethos**

Woolworths continues to make an impact through the Supplier Development programme. This year alone,

393 NEW JOBS were created through **PROVIDING** market **OPPORTUNITIES** and **SUPPORT** to small and medium-sized **BLACK and BLACK WOMEN** owned businesses.

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION



GBJ HIGHLIGHTS FOR THE YEAR

WHL

WOOLWORTHS PUBLISHED ITS
1st tier
SUPPLIER LIST
FOR FASHION, BEAUTY AND
HOME PRODUCTS

IN LINE WITH OUR COMMITMENT
TO SUPPLY CHAIN TRANSPARENCY



99% of Woolworths Food,
78% of Woolworths Fashion, Beauty
and Home private label products,
and 79% of Country Road Group
products have at least

**1 sustainability
attribute**

This means each product has at least one
characteristic that lessens the negative impact
on the environment and society.

WOOLWORTHS LAUNCHED



a voice platform in which
everyone is accepted,
protected and respected
regardless of sexual
orientation, gender identity
or gender expression.

Woolworths was selected as South African
Graduate Employers Association's (SAGEA) 2022
EMPLOYER OF CHOICE
(RETAIL SECTOR)
— as well as one of the —
**TOP 20 ASPIRATIONAL
EMPLOYERS IN SOUTH AFRICA**

Woolworths committed to implementing
a just wage and is investing

R120m
over 3 years to increase the hourly base rate
by 24%



COUNTRY ROAD USES
**100% RECYCLED
OCEAN PLASTICS**
COLLECTED FROM AUSTRALIAN BEACHES
IN SELECTED JEWELLERY RANGES
AS WELL AS STORE FIXTURES

OVER
70% of Woolworths debt
is now ESG-linked

WOOLWORTHS WAS ONE OF THE
1ST RETAILERS TO PARTNER WITH ESKOM
ON A RENEWABLE ENERGY SMART
PROGRAMME, CURRENTLY



**4 DISTRIBUTION
CENTRES AND
2 STORES ARE
POWERED BY
WIND ENERGY**
THROUGH THE PROGRAMME

THE COUNTRY ROAD GROUP WAS AWARDED AN

A rating
— AND DAVID JONES A —
B rating

IN THE BAPTIST WORLD AID REPORT, AUSTRALIA'S
MOST PROMINENT AND HIGH PROFILE REPORT ON
ETHICAL PERFORMANCE OF FASHION BRANDS

WOOLWORTHS WAS THE

top ranked
SOUTH AFRICAN RETAILER
IN THE 2022 WFTF PALM OIL BUYERS SCORECARD
AND THE 2022 FASHION TRANSPARENCY INDEX



Held our **1ST INTERNAL GBJ
ENGAGEMENT PROGRAMME**,
GBJ Week, with almost 3,000 attendees
across the Group attending five panel sessions
on sustainability.

APPENDIX CONTENTS

WHL

1. GROUP PERFORMANCE
2. GROUP AND SEGMENTAL INCOME STATEMENTS
3. GROUP BALANCE SHEET
4. NET (CASH)/BORROWINGS
5. IFRS 16 – IMPACT BY SEGMENT
6. CAPITAL EXPENDITURE
7. AUSTRALIAN BALANCE SHEETS
8. TRADING SPACE
9. STORE LOCATIONS

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

GROUP PERFORMANCE

WHL

	H1	H2	FY
Turnover and concession sales	-2.1% <i>to R42.1bn</i>	+4.9% <i>to R44.9bn</i>	+1.4% <i>to R87.0bn</i>
Adjusted profit before tax	-16.9% <i>to R2.2bn</i>	+50.0% <i>to R2.9bn</i>	+11.0% <i>to R5.1bn</i>
Adjusted EBIT	-18.2% <i>to R3.2bn</i>	+25.7% <i>to R3.8bn</i>	+0.9% <i>to R7.0bn</i>
Adjusted diluted HEPS	-16.3% <i>to 162.2cps</i>	+43.8% <i>to 212.7cps</i>	+9.7% <i>to 374.9cps</i>
Dividend per share	80.5cps <i>(2021: nil)</i>	+125.8% to 149.0cps <i>(2021: 66.0cps)</i>	+247.7% to 229.5cps <i>(2021: 66.0cps)</i>
Free cash flow	R2.0bn	R2.3bn	R4.3bn
Net (cash)/borrowings (excluding lease liabilities)	(R0.3bn)	(R0.2bn)	(R0.2bn)
Net debt to EBITDA	2.0x	1.6x <i>(1.5x ex share buybacks)</i>	1.6x <i>(1.5x ex share buybacks)</i>

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

GROUP INCOME STATEMENT

WHL

	Jun 2022 Rm	Jun 2021 Rm	% change
Turnover and concession sales	87 020	85 857	1.4
Adjusted gross profit	29 255	28 947	1.1
Adjusted EBITDA	11 441	11 674	(2.0)
Adjusted EBIT	7 000	6 938	0.9
Woolworths Fashion, Beauty and Home	1 610	1 083	48.7
Woolworths Food	2 893	3 009	(3.9)
Woolworths Financial Services (50% of PAT)	164	118	39.0
David Jones	980	962	1.9
Country Road Group	1 353	1 766	(23.4)
Net finance and other costs	(1 928)	(2 370)	(18.6)
Adjusted profit before tax	5 072	4 568	11.0
Tax	(1 441)	(1 261)	14.3
Adjusted profit after tax	3 631	3 307	9.8
Adjustments (post-tax)	86	856	
Profit after tax	3 717	4 163	(10.7)
Adjusted diluted HEPS (cents)	374.9	341.6	9.7
Effective tax rate	28.4%	19.2%	
Adjusted effective tax rate	28.4%	27.6%	

Borrowing costs 55% lower

Adjustments (post-tax)	Jun 2022 Rm	Jun 2021 Rm
Lease exit and modification gains	181	414
SA civil unrest costs*	12	-
Restructure and store exit costs	(42)	(106)
Forex gains/losses	17	(10)
Impairment of assets	(87)	(270)
Profit on sale of properties	-	861
Tax losses utilised/ (Deferred tax not recognised)	5	(33)
	86	856

Higher effective tax rate due to utilisation of tax losses in the prior year

* Net of insurance proceeds received

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

2022 GROUP SEGMENTAL INCOME STATEMENT

WHL

	Woolworths				David Jones Rm	Country Road Group Rm	Treasury Rm	Intragroup Rm	Group Rm
Jun 2022	FBH Rm	Food Rm	Logistics Rm	WFS Rm					
Turnover and concession sales	13 550	39 896	637	–	22 776	11 983	–	(1 822)	87 020
Concession sales	(48)	(656)	–	–	(8 071)	–	–	1 822	(6 953)
Turnover	13 502	39 240	637	–	14 705	11 983	–	–	80 067
Cost of sales	7 081	29 810	637	–	8 744	4 840	–	(300)	50 812
Adjusted gross profit	6 421	9 430	–	–	5 961	7 143	–	300	29 255
Other revenue	55	153	–	–	2 065	22	–	(488)	1 807
Expenses	4 867	6 690	–	–	7 268	5 812	42	(188)	24 491
Store costs	3 121	4 706	–	–	5 452	4 034	–	(488)	16 825
Other operating costs	1 746	1 984	–	–	1 816	1 778	42	300	7 666
Financial services and joint venture	1	–	–	164	222	–	–	–	387
Adjusted profit before interest and tax	1 610	2 893	–	164	980	1 353	(42)	–	6 958
Net finance costs	(313)	(237)	–	–	(777)	(191)	(368)	–	(1 886)
Adjusted profit before tax	1 297	2 656	–	164	203	1 162	(410)	–	5 072
Adjustments	41	(9)	–	–	95	(9)	–	–	118
Profit before tax	1 338	2 647	–	164	298	1 153	(410)	–	5 190

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

2021 GROUP SEGMENTAL INCOME STATEMENT

WHL

	Woolworths				David Jones	Country Road Group	Treasury	Intragroup	Group
Jun 2021	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Turnover and concession sales	12 860	38 286	574	–	24 147	12 022	–	(2 032)	85 857
Concession sales	(5)	(543)	–	–	(8 578)	–	–	2 032	(7 094)
Turnover	12 855	37 743	574	–	15 569	12 022	–	–	78 763
Cost of sales	7 003	28 491	574	–	9 302	4 720	–	(274)	49 816
Gross profit	5 852	9 252	–	–	6 267	7 302	–	274	28 947
Other revenue	14	84	–	–	2 233	26	3	(567)	1 793
Expenses	4 783	6 327	–	–	7 829	5 562	15	(293)	24 223
Store costs	3 175	4 521	–	–	6 414	3 925	–	(567)	17 468
Other operating costs	1 608	1 806	–	–	1 415	1 637	15	274	6 755
Financial services and joint venture	–	–	–	118	291	–	–	–	409
Adjusted profit before interest and tax	1 083	3 009	–	118	962	1 766	(12)	–	6 926
Net finance costs	(368)	(247)	–	–	(816)	(215)	(712)	–	(2 358)
Adjusted profit before tax	715	2 762	–	118	146	1 551	(724)	–	4 568
Adjustments	(2)	(8)	–	–	699	(83)	(24)	–	582
Profit before tax	713	2 754	–	118	845	1 468	(748)	–	5 150

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

GROUP BALANCE SHEET

WHL

Strong balance sheet with improvement in key debt and other financial metrics

	Jun 2022 Rm	Jun 2021 Rm	Constant currency % change	
Assets				
Property, plant and equipment	9 190	9 315	(2.7)	
Intangible assets	7 451	7 135	3.0	
Right-of-use assets	18 891	19 116	(3.0)	Lease exits and modifications
Investments in joint ventures	945	893	5.8	
Inventories	8 709	8 501	1.3	
Trade and other receivables and loans	1 795	1 377	29.4	Timing of debtor settlements; includes prepayment of share repurchase
Derivative financial instruments	370	46	>100	
Deferred tax and tax assets	3 354	3 581	(8.2)	
Cash and cash equivalents	5 374	5 624	(6.0)	
Total assets	56 079	55 588	(0.6)	
Equity and liabilities				
Shareholders' funds	11 800	9 328	24.2	Increase in equity after FY21 final and FY22 interim dividends and share repurchase
Borrowings and overdrafts	5 096	6 640	(23.3)	
Lease liabilities	26 784	27 194	(3.3)	Lease exits and modifications
Other non-current liabilities	844	724	15.7	
Derivative financial instruments	53	379	(86.0)	
Deferred tax and tax liabilities	31	390	(92.1)	
Trade and other payables and provisions	11 471	10 933	3.8	
Total equity and liabilities	56 079	55 588	(0.6)	
Net (cash)/borrowings	(229)	1 056		Net cash in Aus of A\$335m; net borrowings of R3.5bn in WSA; 81% of WSA debt is sustainability linked
Net gearing including lease liabilities*	18 691	19 990		
Net debt to EBITDA* (times)	1.6	1.7		
Net debt to Equity* (times)	1.6	2.1		
Year-end exchange rate (R/A\$)	11.0	10.7		

* Based on lease liabilities net of deferred tax

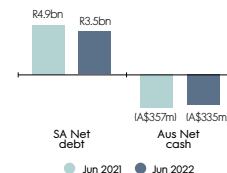
WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

NET (CASH)/BORROWINGS

WHL

	Jun 2022	Jun 2021
WHL Net (cash)/debt (Rm)	(229)	1 056
Interest-bearing debt	5 112	6 540
Net cash and cash equivalents	(5 341)	(5 484)
Unutilised committed facilities – Group	7 730	7 285
SA Net debt (Rm)	3 455	4 882
Interest-bearing debt	5 112	6 540
Net cash and cash equivalents	(1 657)	(1 658)
Borrowing rate*	6.16%	7.77%
Unutilised committed facilities – SA	6 917	6 288
Aus Net cash (A\$m)	(335)	(357)
Interest-bearing debt	–	–
Net cash and cash equivalents	(335)	(357)
Borrowing rate	n/a	n/a
Unutilised committed facilities – Aus	74	93
Finance costs on borrowings (Rm)	385	847
ZAR debt (Rm)	368	572
AUD debt (A\$m)	2	24

Net (cash)/borrowings



- SA borrowings reduced by R1.4bn and covenants within bank limits
- Leadership position in respect of sustainability-linked debt

Net cash of A\$215m in DJ and A\$120m in CRG

Borrowing costs 55% lower

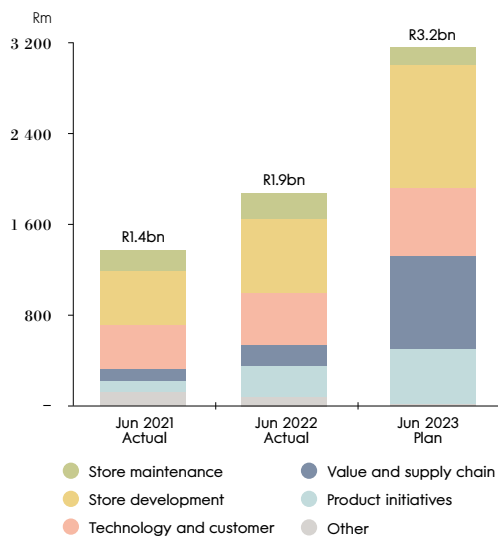
* Partially hedged all-in rate including amortisation of upfront costs

WHLWHL 51 / 2022

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

CAPITAL EXPENDITURE

WHL



Depreciation and amortisation

	Jun 2022	Jun 2021	% change
Woolworths (Rm)	965	960	0.5
David Jones (A\$m)	56	64	(12.5)
Country Road Group (A\$m)	27	33	(18.2)
Group pre IFRS 16 (Rm)	1 884	2 076	(9.2)
Right-of-use assets (Rm)	2 557	2 660	(3.9)
Group (Rm)	4 441	4 736	(6.2)

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

AUSTRALIAN BALANCE SHEETS

WHL

	Jun 2022 A\$m			Jun 2021 A\$m		
	David Jones	Country Road Group	Total	David Jones	Country Road Group	Total
Assets						
Property, plant and equipment	396	92	488	418	97	515
Intangible assets ^{1 & 2}	51	357	408	87	362	449
Right-of-use assets	1 047	266	1 313	1 032	323	1 355
Inventories	270	117	387	255	122	377
Trade and other receivables, deferred tax and tax assets	220	357	577	217	339	556
Total assets	1 984	1 189	3 173	2 009	1 243	3 252
Liabilities, excluding borrowings	(351)	(219)	(570)	(341)	(252)	(593)
Lease liabilities	(1 559)	(338)	(1 897)	(1 571)	(399)	(1 970)
Capital employed	74	632	706	97	592	689
Equity ^{1 & 2}	289	752	1 041	383	663	1 046
Net cash	(215)	(120)	(335)	(286)	(71)	(357)
Year-end exchange rate (R/A\$)			11.0			10.7

¹ David Jones excludes brands impaired at Group

² Country Road Group includes David Jones notional goodwill allocation

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

TRADING SPACE

WHL

	Jun 2021 000m ²	% growth	Jun 2022 000m ²	% growth	Projected Jun 2023 000m ²	% growth	Projected Jun 2024 000m ²	% growth	Projected Jun 2025 000m ²
Woolworths Fashion, Beauty and Home*	453	(4.5)	433	(1.2)	428	(1.6)	421	0.7	424
South Africa	407	(4.7)	388	(2.1)	380	(2.1)	372	0.5	374
Rest of Africa	46	(2.2)	45	6.7	48	2.1	49	2.0	50
Woolworths Food	264	1.8	269	2.6	276	3.3	285	3.5	295
South Africa	254	2.0	259	2.3	265	3.4	274	3.6	284
Engen	4	–	4	–	4	–	4	–	4
Rest of Africa	6	–	6	16.7	7	–	7	–	7
David Jones*	442	(2.6)	430	(6.3)	403	(2.2)	394	–	394
Country Road Group**	111	(8.1)	102	(2.0)	100	11.0	111	0.9	112
Australasia	96	(9.4)	87	(2.3)	85	12.9	96	1.0	97
South Africa	15	–	15	–	15	–	15	–	15

* These projections are linked to contractual agreements and do not reflect negotiations to reduce space currently in flight

** Includes 21 730m² Country Road Group brand concessions in David Jones stores

WOOLWORTHS HOLDINGS LIMITED ANNUAL RESULTS 2022 ANALYST PRESENTATION

STORE LOCATIONS

WHL

	Jun 2021	Growth	Jun 2022	Growth	Projected Jun 2023	Growth	Projected Jun 2024	Growth	Projected Jun 2025
Woolworths Fashion, Beauty and Home	267	(10)	257	23	280	13	293	14	307
South Africa	202	(8)	194	21	215	14	229	15	244
Rest of Africa	65	(2)	63	2	65	(1)	64	(1)	63
Woolworths Food	452	11	463	24	487	31	518	30	548
South Africa*	348	10	358	16	374	26	400	25	425
Engen	81	3	84	6	90	5	95	5	100
Rest of Africa	23	(2)	21	2	23	–	23	–	23
David Jones	45	(1)	44	(2)	42	(1)	41	–	41
Country Road Group**	689	(67)	622	12	634	51	685	6	691
Australasia	606	(69)	537	13	550	40	590	6	596
South Africa	83	2	85	(1)	84	11	95	–	95

* Of which 201 are standalone Food stores

** Includes 211 Country Road Group brand concessions in David Jones stores, which may extend over multiple pads

DISCLAIMER

WHL

Shareholders are advised that the information in this presentation has not been reviewed and reported on by Woolworths Holdings' external auditors and it does not constitute a profit forecast.

Woolworths Holdings has taken reasonable efforts to ensure the accuracy and completeness of the information contained in this presentation.

This presentation contains certain forward-looking statements with respect to Woolworths Holdings and its business. Forward-looking statements are not statements of fact, but statements based on Woolworths Holdings current estimates, projections, expectations, beliefs and assumptions regarding the Group's future performance, financial condition and results. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances beyond the control of Woolworths Holdings. No assurance can be given that forward-looking statements will prove to be correct and undue reliance should not be placed on such statements.

The risks and uncertainties inherent in the forward-looking statements contained in this presentation include, but are not limited to: changes to IFRS and the interpretations, applications and practices subject thereto as they apply to past, present and future periods; domestic business and market conditions; changes in the domestic regulatory and legislative environments; changes to domestic operational, social, economic and political risks; and the effects of both current and future litigation. As a result, Woolworths Holdings actual future financial condition, performance and results may differ materially from those set out in any forward-looking statements.

Woolworths Holdings does not undertake to update any forward-looking statements contained in this presentation and does not assume responsibility for any loss or damage whatsoever and howsoever arising as a result of the reliance by any party thereon, including, but not limited to, loss of earnings, profits, or consequential loss or damage.

