



Buy-Back Booklet 2019



Woolworths Group Limited ABN 88 000 014 675

The Buy-Back is not available to persons located or resident in, and this document is not to be distributed in or into, the United States or Canada.

This is an important document. It does not constitute investment or financial product advice and has been prepared without taking into account your particular investment objectives, financial situation or needs. If you have any questions about the action you should take, please consult your financial, taxation or other professional advisor immediately.

About Woolworths Group

Founded in 1924, Woolworths Group has grown into a diverse group of Australian and New Zealand retail businesses with some of the most recognised and trusted brands – including Woolworths, Countdown, Dan Murphy's, BWS and BIG W. Woolworths Group is a proud Australian and New Zealand employer.

Our customers¹ (30 Dec 2018)

30 Million

served on average per week

Voice of Customer score²

83%

Rewards members

11.3 Million

Pick up locations³

+2,900

Transactions

0.8 Billion

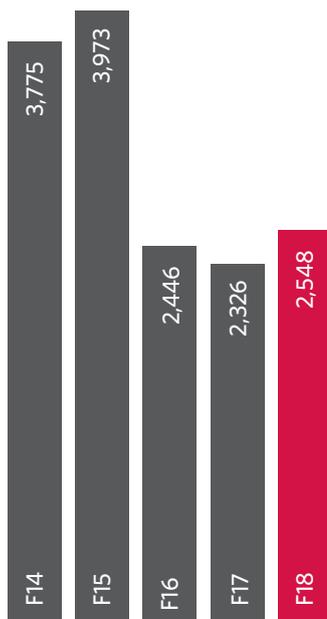
Our store network (30 Dec 2018)



| | |
|------------------|-------|
| Australian Food | 1,018 |
| New Zealand Food | 180 |
| Endeavour Drinks | 1,561 |
| BIG W | 183 |
| Hotels | 324 |

Our financial highlights¹

EBIT (\$M)



H19: **1,445** F18: **2,548**

Free cash flow before dividends (\$M)

H19: **1,104** F18: **1,420**

Dividend per share⁴

H19: **45¢** F18: **103¢**

Tax paid⁵ (\$M)

H19: **386** F18: **661**

Return on funds employed

H19: **24.1%** F18: **24.1%**

Revenue (\$M)

H19: **30,587** F18: **56,726**



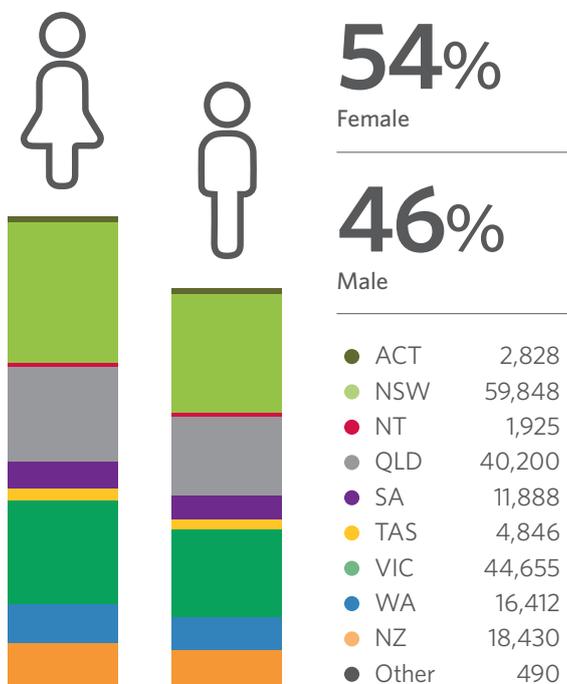
| | |
|------------------|--------------------|
| Australian Food | 37,379 |
| New Zealand Food | 5,898 ⁶ |
| Endeavour Drinks | 8,271 |
| BIG W | 3,566 |
| Hotels | 1,612 |

1. From continuing operations before significant items.
 2. Store-controllable voice of customer - Australian Food.
 3. Including Australian and New Zealand Food, Endeavour Drinks and BIG W.

4. Full year fully franked dividend including special dividend.
 5. From Woolworths Group cash flow.
 6. New Zealand Food (AUD).

All figures on page iii are for the year ended 24 June 2018.

Our team



201,522

team members

Women in senior management

32%

Young team members <25 years old

74,757

Voice of Team engagement score

82%

Indigenous and refugee program recruits

1,875

across 528 stores since the beginning of the program

Current graduate program members

80

Total recordable injury frequency rate (TRIFR)

14.16%

▼ 17.46% from 2017

Our community

Direct community investment totalling

\$30.8 Million

Our community contribution as a % of EBIT

1.24%

Free fruit for kids



pieces of fruit shared

Food saved for



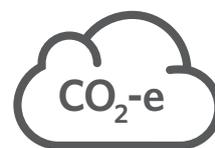
meals

Our planet

Carbon emissions

▼ 13%

below 2015 levels



Solar power generation

2,211MW



Plastic removed from fruit and vegetable packaging

180 tonnes



Important dates

| | |
|-------------------------------------|--|
| Monday 01 April 2019 | Announcement of the Buy-Back |
| Thursday 04 April 2019 | Last day that Shares can be acquired on-market to be eligible to participate in the Buy-Back and qualify for franking credit entitlements in respect of the Buy-Back Price |
| Friday 05 April 2019 | Buy-Back Ex-entitlement Date The date that Shares commence trading on an ex-Buy-Back basis. Shares acquired on-market on or after this date will generally not have an entitlement to participate in the Buy-Back Payment date for Interim Dividend (including allocation of DRP Shares) |
| Monday 08 April 2019 | Buy-Back Record Date The date that determines the Eligible Shareholders entitled to participate in the Buy-Back |
| Tuesday 16 April 2019 | Offer Period opens Distribution of invitations to Eligible Shareholders to participate in the Buy-Back is expected to be completed |
| Friday 24 May 2019 | Offer Period closes Offer Forms must be submitted online or received by the Woolworths Group Share Registry no later than 7.00pm (Sydney time) |
| Monday 27 May 2019 | Buy-Back Date The date that the Buy-Back Price and scale back (if any) are announced and Buy-Back Contracts are entered into |
| Thursday 30 May 2019 | Buy-Back Price paid to successful Eligible Shareholders |

While Woolworths Group does not anticipate any changes to these dates and times, it reserves the right to vary them without notifying you. Any change in date or time will take effect from the time it is authorised by Woolworths Group and will be publicly announced on ASX as soon as practicable following that authorisation. Any such change will be taken to amend this Booklet (and the other Buy-Back Documents) accordingly. Woolworths Group may, in its absolute discretion, also decide not to proceed with the Buy-Back and may vary the size of the Buy-Back (either increasing or decreasing) depending on a number of factors including shareholder demand, market conditions and forecast future capital requirements.

This Booklet is dated 1 April 2019 and is current as at that date (except where otherwise indicated).

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Notice to foreign shareholders

If you are an Excluded Foreign Person, you will not be able to participate in the Buy-Back. In particular, any person located in the United States, any US Person and any resident of Canada is not entitled to participate, directly or indirectly, in the Buy-Back.

The distribution of this Booklet in some jurisdictions might be restricted by law and does not constitute an invitation to participate in any place where, or to any person to whom, it would be unlawful to do so. Persons who come into possession of this Booklet should seek advice on, and observe any restrictions on, distributing it. Copies of the Buy-Back Documents are not being mailed or otherwise distributed or sent outside Australia or New Zealand, including into the United States or Canada. Any person receiving any of the Buy-Back Documents must not distribute or send them into the United States or Canada, or make them available to any Excluded Foreign Person, including any person located in the United States, any US Person or any resident of Canada.

ADRs may not be offered for sale through the Buy-Back.



This is an interactive PDF designed to enhance your experience. The best way to view this Booklet is with Adobe Reader. Click on the links on the Contents page, the navigation tabs on the right hand side, or use the  home button in the footer to navigate the Booklet.



Chairman's letter

Dear Shareholder

Sound capital management is a key priority for the Board of Woolworths Group. We have a strong balance sheet, a surplus franking credit position, and sufficient capital for the growth opportunities ahead of us.

Following the recently completed sale of our Petrol business, we have decided to return up to A\$1.7 billion to shareholders by way of an off-market buy-back of Woolworths Group ordinary shares (Buy-Back).

The Buy-Back will be conducted through a tender process. Eligible Shareholders who choose to participate can offer to sell some or all of their Shares to Woolworths Group:

- at a discount between 10% to 14% (inclusive) at 1% intervals to the Market Price;

or

- at the Buy-Back Price, which is an election to sell your Shares at the price determined by Woolworths Group following completion of the tender process described in this Booklet (as a Final Price Offer).

The Buy-Back Price will be determined as the lowest price at which Woolworths Group can buy back the targeted amount of capital.

This Booklet contains important information about the Buy-Back to assist your consideration of whether or not to participate, and I encourage you to read it carefully. The decision to participate in the Buy-Back is entirely voluntary.

If you have any questions about the action you should take, please consult your financial, taxation or other professional advisor immediately.

If, after reading this Booklet, you have any queries on how the Buy-Back operates or how to participate, please see the Woolworths Group Buy-Back website at woolworthsgroup.com.au/buyback or contact the Woolworths Group Share Registry information line on 1300 368 664 within Australia or +61 1300 368 664 from outside Australia (Monday to Friday 8.00am-7.00pm, Sydney time).

If you wish to participate in the Buy-Back, please ensure you submit your Offer Form online, or it is received by mail by the Woolworths Group Share Registry, no later than 7.00pm (Sydney time) on Friday, 24 May 2019. If you do not wish to participate in the Buy-Back, you do not need to take any action.

On behalf of the Board, thank you for being a Woolworths Group shareholder and supporting our company.

Yours sincerely,



Gordon Cairns
Chairman



Section 1

Key features of the Buy-Back

| | |
|---|---|
| Target size | <p>Shares in Woolworths Group Limited (Woolworths Group) with a value up to A\$1.7 billion.</p> <p>Woolworths Group may vary the size of the Buy-Back. In particular, Woolworths Group may buy back significantly less than A\$1.7 billion worth of Shares, or no Shares at all.</p> |
| Buy-Back Discount | <p>Eligible Shareholders can offer to sell some or all of their Shares to Woolworths Group:</p> <ul style="list-style-type: none"> at a discount between 10% to 14% (inclusive) at 1% intervals to the Market Price¹; <p>or</p> <ul style="list-style-type: none"> at the Buy-Back Price, which is an election to sell your Shares at the price determined by Woolworths Group following completion of the tender process described in this Booklet (as a Final Price Offer). <p>You can also nominate a Minimum Price below which you are not willing to sell any of your Shares.</p> |
| Multiple Buy-Back Discounts | <p>If you are an Eligible Shareholder and wish to participate in the Buy-Back, and:</p> <ul style="list-style-type: none"> hold less than 180 Shares, you must offer to sell all of your Shares at the same Buy-Back Discount(s) or as a Final Price Offer; or hold 180 Shares or more, you may offer to sell your Shares at different Buy-Back Discounts or as a Final Price Offer. |
| Buy-Back Price | <p>The Buy-Back Price will be determined as the lowest price at which Woolworths Group can buy back the targeted amount of capital.</p> <p>The Buy-Back Price will be calculated by applying the Final Buy-Back Discount (determined by Woolworths Group under the tender process) to the Market Price.</p> <p>The Market Price is calculated as the VWAP of Shares over the five trading days up to and including the Closing Date.</p> <p>The Buy-Back Price will not exceed the CGT Value².</p> <p>It will be published by announcement to ASX on Monday, 27 May 2019.</p> |
| Capital Component of the Buy-Back Price ³ | A\$4.79 |
| Dividend Component of the Buy-Back Price ⁴ | The Dividend Component is the Buy-Back Price less the A\$4.79 Capital Component. This is expected to be fully franked. |

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- The maximum Buy-Back Discount is 14% as this is the maximum allowed by the ATO.
- For further information about the CGT Value and its impact on the Buy-Back Price, see Section 3.1.2(a) "Capital Gains Tax - disposal of Shares (acquired after 19 September 1985) - Australian resident Eligible Shareholders".
- For Australian tax purposes only, you will be deemed to have disposed of each Share for the Capital Component plus the amount (if any) by which the CGT Value exceeds the Buy-Back Price (see Section 3.1.2 "Capital Gains Tax - disposal of Shares (acquired after 19 September 1985)". The ATO has indicated to Woolworths Group that the Capital Component of the Buy-Back Price will be A\$4.79, but this remains subject to the Class Ruling.
- For Australian tax purposes only (see Section 3.1.1(a) "Income tax - treatment of Dividend Component of Buy-Back Price - Australian resident Eligible Shareholders").



| | |
|--------------------------------|--|
| Eligible Shareholders | You are eligible to participate in the Buy-Back if Shares are registered in your name on the Buy-Back Record Date (Monday, 8 April 2019) and you are not an Ineligible Shareholder. |
| Ineligible Shareholders | <p>You are ineligible to participate in the Buy-Back if you are an Excluded Foreign Person or a person who only holds ADRs or Restricted Employee Shares.</p> <p>Excluded Foreign Persons are basically persons who reside in a jurisdiction other than Australia or New Zealand (for the full definition, see Section 7 “Definitions and interpretation”), including any person who is (or who is acting on behalf of or for the account of a person who is) located in the United States or who is a US Person or a resident of Canada.</p> <p>If you are an Eligible Shareholder and hold Shares as well as ADRs or Restricted Employee Shares, then your Shares may be offered for sale through the Buy-Back but the ADRs and Restricted Employee Shares may not be offered.</p> |

How do I participate?

It is important that you read this Booklet in full before deciding to participate. If you have any queries on how the Buy-Back operates or how to participate, please see the Woolworths Group Buy-Back website at woolworthsgroup.com.au/buyback or contact the Woolworths Group Share Registry information line on 1300 368 664 within Australia or +61 1300 368 664 from outside Australia (Monday to Friday 8.00am-7.00pm, Sydney time). If you have any questions about the action you should take, please consult your financial, taxation or other professional advisor immediately.

| | |
|--|---|
| If you DO choose to participate | <p>If you are an Eligible Shareholder, you can participate in the Buy-Back by:</p> <ol style="list-style-type: none"> (1) Completing the online Offer Form on the Woolworths Group Buy-Back website woolworthsgroup.com.au/buyback; or (2) Completing a personalised paper Offer Form and returning it to the Woolworths Group Share Registry; or (3) Contacting your controlling CHESS participant. <p>If you complete the online Offer Form or personalised paper Offer Form, please ensure your Offer Form is submitted online, or received by mail by the Woolworths Group Share Registry, no later than 7.00pm (Sydney time) on Friday, 24 May 2019.</p> <p>If you need to instruct your controlling CHESS participant, please ensure you do so in sufficient time for them to process your instructions no later than 7.00pm (Sydney time) on Friday, 24 May 2019.</p> <p>If you decide to participate, you must offer to sell at least 180 Shares or, if you own less than that, you must offer to sell them all.</p> <p>For detailed instructions on how to participate, see section 6.1 “How do I participate in the Buy-Back”.</p> |
| If you DO NOT choose to participate | If you do not wish to participate in the Buy-Back, you do not need to take any action. |

Section 2

Detailed information about the Buy-Back and tender process

2.1 What is the Buy-Back?

2.1.1 What is an off-market buy-back?

Woolworths Group is proposing to undertake the Buy-Back by inviting Eligible Shareholders to offer to sell some or all of their Shares to Woolworths Group by way of a tender process. Eligible Shareholders who wish to participate may make an offer to sell some or all of their Shares to Woolworths Group:

- at a discount to the Market Price, within the range of 10% to 14% (inclusive) at 1% intervals; or
- at the Buy-Back Price, which is an election to sell their Shares at the price determined by Woolworths Group following completion of the tender process described in this Booklet (as a Final Price Offer).

If Woolworths Group accepts the offer, then a Buy-Back Contract is formed on the terms and conditions set out in the Buy-Back Documents.

The Shares bought back will subsequently be cancelled by Woolworths Group, reducing the total number of Shares on issue.

2.1.2 Why is Woolworths Group buying back Shares?

Woolworths Group has a history of disciplined capital management.

Following the recently completed sale of the Petrol business, in the Board's opinion, the current strength of Woolworths Group's balance sheet and the underlying strength of the business will allow Woolworths Group to undertake the Buy-Back to return up to A\$1.7 billion surplus capital to shareholders whilst preserving an appropriate capacity for continued investment in the business and without prejudicing Woolworths Group's ability to maintain its full year ordinary dividend payout ratio of 70% of net profit after tax (before significant items). While the Buy-Back will utilise Woolworths Group's available franking credits, such an impact is not expected to adversely impact Woolworths Group's ability to continue to fully frank future ordinary dividends.

The Board considered various alternatives for returning capital to shareholders and determined that undertaking the Buy-Back is the most efficient and value-enhancing strategy to distribute Woolworths Group's surplus capital and franking credits (see Section 2.2 "What are the reasons for the Buy-Back"). In addition, the Buy-Back allows the targeted amount of capital to be bought back within a relatively short period of time.

2.1.3 How many Shares will Woolworths Group buy back?

Woolworths Group proposes to buy back up to A\$1.7 billion worth of its Shares.

However, Woolworths Group may vary the size of the Buy-Back depending on a number of factors including

shareholder demand, market conditions and forecast future capital requirements. In particular, Woolworths Group may buy back significantly less than A\$1.7 billion worth of Shares, or no Shares at all.

If the total number of Shares offered for sale at a Buy-Back Discount at or above the Final Buy-Back Discount and/or as Final Price Offers is more than the total number of Shares, Woolworths Group determines to buy back, there may be a need for a scale back so that not all the Shares offered will be bought back (see Section 2.3.12 "How will any scale back work?").

2.2 What are the reasons for the Buy-Back?

2.2.1 What are the benefits of the Buy-Back for shareholders?

The decision to participate in the Buy-Back is entirely voluntary, and Eligible Shareholders may tailor their participation to suit their particular situation. As an Eligible Shareholder you are able to choose:

- whether or not to offer your Shares in the Buy-Back;
- how many (if any) Shares to offer (subject to the minimum participation requirements); and
- the basis upon which you offer your Shares (for example, at what Buy-Back Discount(s) or as a Final Price Offer, with the option of making your offer conditional on a Minimum Price).

All Eligible Shareholders have an equal opportunity to participate in the Buy-Back.

You do not pay any brokerage to sell your Shares through the Buy-Back.

For those Eligible Shareholders who successfully participate in the Buy-Back, the ATO has indicated to Woolworths Group that for Australian tax purposes the Capital Component of the Buy-Back Price that you are paid for each Share bought back will be A\$4.79 and the remainder of the Buy-Back Price will be a fully franked dividend. The Buy-Back Price may be lower than the price at which you could sell your Shares on ASX but your after-tax return may be greater because of your personal tax situation and the tax treatment of the Capital Component, the Dividend Component and the franking credits in your situation.

Woolworths Group believes that the Buy-Back will benefit all Woolworths Group shareholders, whether or not you decide to participate. Shareholders who choose not to participate in the Buy-Back but retain their Shares are expected to benefit from the discount to the Market Price achieved by Woolworths Group in the repurchase of Shares through the Buy-Back. Earnings per share will also increase due to the reduction in Shares on issue, although the ongoing market capitalisation of Woolworths Group will reflect a number of factors and not solely be based on earnings per share.

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Total shareholder return will also be maximised due to the reduction in Shares on issue whilst maintaining the current target dividend payout ratio and franking.

Woolworths Group cannot guarantee an increased earnings per share or increased total shareholder return in the future because this will depend on a number of factors, including future trading conditions, competitive pressures, and broader industry or Australian economic issues which may affect our business and some of which are outside Woolworths Group's control.

2.2.2 Why might I choose not to participate in the Buy-Back?

The decision to participate in the Buy-Back is entirely voluntary. Reasons you may choose not to participate include:

- you do not wish to sell any of your Shares;
- participating in the Buy-Back may not suit your personal tax situation;
- you may be able to sell your Shares on ASX for a price that is higher than the Buy-Back Price and provides you with a greater after-tax return than if you sold them through the Buy-Back, depending on your personal tax situation;
- you may wish to retain your Shares to benefit from holding a slightly larger percentage of the total Shares in Woolworths Group, and potential increased earnings per share and total shareholder return after completion of the Buy-Back.

2.2.3 What does the Buy-Back mean for me if I do not participate?

If you choose not to participate in the Buy-Back, you are an Ineligible Shareholder, or all or part of your offer to sell your Shares is not successful, the number of Shares you hold will not change as a result of the Buy-Back.

After the Buy-Back is completed, you will hold a slightly larger percentage of the total Shares in Woolworths Group as there will be fewer Shares on issue. You will continue to be subject to the normal investment risks of share ownership.

2.2.4 How does selling my Shares through the Buy-Back compare to selling my Shares on the stock market?

It is likely that you will be able to sell your Shares on ASX for a price that is higher than the Buy-Back Price. This is because the prices at which Eligible Shareholders can offer Shares for sale through the Buy-Back are at a discount between 10% and 14% (inclusive) at 1% intervals to the Market Price.

However, for those Eligible Shareholders who successfully participate in the Buy-Back, your after-tax return may be greater than if you had sold on ASX depending on your personal tax situation and the tax treatment of the Capital Component, the Dividend Component and the franking credits in your situation. Further information on the Australian tax implications for shareholders is provided in Section 3.1 "Australian tax implications for shareholders". If you have any questions about the action you should take, please consult your financial, taxation or other professional advisor immediately.

To provide you with an indication of the possible after-tax proceeds from selling your Shares through the Buy-Back compared to selling on ASX, Woolworths Group will provide access to a tax calculator through the Woolworths Group Buy-Back website at woolworthsgroup.com.au/buyback during the Offer Period. However, Woolworths Group cannot guarantee the price at which Shares may trade during the Offer Period (or after the Offer Period). This will depend on a number of factors including market conditions, some of which are outside Woolworths Group's control. Consequently, the Market Price and Buy-Back Price may change and be volatile, and the benefit of offering to sell your Shares through the Buy-Back may change. You can see the latest Share price at any time on www.asx.com.au.

Eligible Shareholders who are tax resident in New Zealand should consider the New Zealand tax implications of participating in the Buy-Back (see Section 3.2 "New Zealand tax implications for shareholders").

In addition, to execute a share sale on ASX, you will need to appoint a broker and may have to pay brokerage, whereas you will not need to appoint a broker or pay brokerage if you sell your Shares through the Buy-Back.

2.2.5 How have Shares performed over recent times?

The closing price of Shares on ASX on Friday, 29 March 2019, being the last trading day before the Buy-Back announcement date, was A\$30.40.

Woolworths Group's highest and lowest market closing prices and VWAP during each of the preceding six months were as follows:

| | High | Low | VWAP ¹ |
|---------------|-------|-------|-------------------|
| Month | (A\$) | (A\$) | (A\$) |
| October 2018 | 28.43 | 27.31 | 27.90 |
| November 2018 | 29.83 | 28.52 | 29.09 |
| December 2018 | 29.55 | 28.31 | 28.75 |
| January 2019 | 30.52 | 29.15 | 29.80 |
| February 2019 | 30.37 | 28.35 | 29.26 |
| March 2019 | 30.51 | 28.83 | 30.13 |

(Source: IRESS)

1. In accordance with the definition of VWAP in Section 7 "Definitions and interpretations".

Woolworths Group's Share price performance over the period from 1 January 2017 to 29 March 2019 is set out in the following chart:



(Source: IRESS)

2.3 How does the tender process work?

2.3.1 Am I entitled to offer my Shares for sale through the Buy-Back?

If you are an Eligible Shareholder, you are entitled to offer for sale through the Buy-Back all or some of the Shares registered in your name on the Buy-Back Record Date (Monday, 8 April 2019).

Shares acquired on-market on or after the Buy-Back Ex-entitlement Date (Friday, 5 April 2019), generally will not be registered in your name by the Buy-Back Record Date and therefore, will not have an entitlement to participate in the Buy-Back.

To assist you, the Offer Form (both the online and personalised paper versions) will outline the maximum number of Shares you are entitled to offer for sale through the Buy-Back.

If you decide to participate, you must offer to sell at least 180 Shares or, if you own less than that, you must offer to sell them all.

Excluded Foreign Persons and persons who only hold ADRs or Restricted Employee Shares are not entitled to participate in the Buy-Back. In particular, any person located in the United States, any US Person and any resident of Canada is not entitled to participate, directly or indirectly, in the Buy-Back. Having regard to the factors that make a person an Excluded Foreign Person, Woolworths Group has determined that it would be impractical to invite shareholders in jurisdictions other than Australia and New Zealand to participate in the Buy-Back.

If you are an Eligible Shareholder and hold Shares as well as ADRs or Restricted Employee Shares, then your Shares may be offered for sale through the Buy-Back but the ADRs and Restricted Employee Shares may not be offered.

2.3.2 What if I have more than one holding of Shares?

Each separate registered holding of Shares you have will be treated separately (for example, if you hold

some Shares in your name and some Shares jointly with another person, you will have to complete two Offer Forms).

You may offer Shares for sale through the Buy-Back from any or all of your separate registered holdings provided you complete the separate Offer Form(s).

Any scale back that applies to Shares offered from more than one of your registered holdings will be applied to each of those holdings as if they were held by different persons.

2.3.3 At what discount(s) can I offer my Shares for sale?

You can offer your Shares for sale at a Buy-Back Discount within the range of 10% to 14% (inclusive) at 1% intervals. The Final Buy-Back Discount determined by Woolworths Group is then applied to the Market Price to determine the Buy-Back Price. If you are happy to offer your Shares for sale at any Buy-Back Discount within this range, you can make a Final Price Offer (see Section 2.3.4 "What is a Final Price Offer?").

If you hold less than 180 Shares and wish to participate, you must offer all of your Shares for sale at the same Buy-Back Discount or as a Final Price Offer.

If you hold 180 Shares or more, you may offer your Shares at different Buy-Back Discounts or as a Final Price Offer. However, you must offer a minimum of 180 Shares in aggregate.

2.3.4 What is a Final Price Offer?

A Final Price Offer is an offer to sell your Shares to Woolworths Group at the price determined by Woolworths Group to be the Buy-Back Price following completion of the tender process described in this Booklet. The Buy-Back Price could be as low as a 14% discount to the Market Price or as high as a 10% discount to the Market Price.

Final Price Offers are designed to make it easier for shareholders to successfully participate in the Buy-Back and increases the likelihood that some or all of your Shares will be bought back.

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You should understand that submitting a Final Price Offer means, provided the Buy-Back Price is higher than any Minimum Price you may nominate and Woolworths Group proceeds with the Buy-Back, you will definitely sell some or all of your Shares at a price per Share that could be anywhere in the range of 10% to 14% less than the Market Price. If a large number of Final Price Offers are submitted, it is more likely that the Buy-Back Price will be at a larger discount to the Market Price, subject to the 14% maximum¹. Final Price Offers will only be scaled back if the Buy-Back Price is set at a 14% discount to the Market Price and the total number of Shares offered by all Eligible Shareholders is more than Woolworths Group determines to buy back.

2.3.5 Can I nominate a Minimum Price for the sale of my Shares?

You may, although you are not required to, nominate a Minimum Price below which you are not willing to sell any of your Shares. This is not an alternative to specifying a Buy-Back Discount or Final Price Offer, but is used in conjunction with the Buy-Back Discount or Final Price Offer you choose. If you make your offer conditional only on a nominated Minimum Price without specifying a Buy-Back Discount or Final Price Offer, your offer will be invalid and will not be accepted by Woolworths Group.

You should understand that nominating a Minimum Price means your offer will not be successful if the Buy-Back Price is below the Minimum Price. In these circumstances, your offer will be rejected and your Shares will not be bought back.

2.3.6 How will Woolworths Group determine successful offers?

If Woolworths Group proceeds with the Buy-Back and your Buy-Back Discount is equal to or greater than the Final Buy-Back Discount, or you lodged a Final Price Offer, your offer to sell Shares in the Buy-Back will be successful and some or all of your Shares will be bought back (subject to any scale back and, if applicable, any Minimum Price condition).

If your Buy-Back Discount for some or all of the Shares you offered to sell through the Buy-Back is lower than the Final Buy-Back Discount, your offer to sell those Shares will be rejected and those Shares will not be bought back.

If you have nominated a Minimum Price and the Buy-Back Price is below that price, your offer will be rejected and your Shares will not be bought back.

If you do not wish to nominate a Minimum Price, do not complete the Minimum Price section of your Offer Form (leave it blank).

2.3.7 How will Woolworths Group determine the Final Buy-Back Discount and Buy-Back Price?

Woolworths Group will determine the Final Buy-Back Discount having regard to the offers Woolworths Group receives from all shareholders and the lowest price at which Woolworths Group can buy back the targeted amount of capital.

The Final Buy-Back Discount is then applied to the Market Price to determine the Buy-Back Price.

2.3.8 How is the Market Price calculated?

The Market Price is calculated as the VWAP of Shares on ASX over the five trading days up to and including the Closing Date.

To provide you with an indication of the possible Market Price, Woolworths Group will calculate and make available the running VWAP during the Offer Period through the Woolworths Group Buy-Back website at woolworthsgroup.com.au/buyback.

The actual Market Price, representing the VWAP for the five trading days up to and including the Closing Date (Friday, 24 May 2019), will be available as soon as possible after 4.00pm (Sydney time) on the Closing Date and will be announced to ASX.

2.3.9 How will I know what the Buy-Back Price is?

Woolworths Group intends to announce the Buy-Back Price to ASX as soon as possible after the Offer Period closes. The proposed date of announcement is Monday, 27 May 2019.

The details of any scale back will also be announced at this time.

2.3.10 What will Woolworths Group pay me?

Woolworths Group will pay you the Buy-Back Price for each of your Shares it agrees to buy under the Buy-Back, even if your Buy-Back Discount was greater than the Final Buy-Back Discount adopted to determine the Buy-Back Price.

For each Share sold through the Buy-Back, you will receive a cash amount determined in accordance with the following formula:

$$A = B \times (1 - C)$$

Where:

A is the Buy-Back Price (rounded to the nearest cent (and for the avoidance of doubt, rounded up in the case of a half a cent) or rounded up as appropriate, if rounding to the nearest cent would involve a discount of greater than 14% to the Market Price²);

B is the Market Price; and

C is the Final Buy-Back Discount.

For example, if the Market Price is A\$30.00 and the Final Buy-Back Discount is 14%, the Buy-Back Price would be A\$25.80² (i.e. A\$30.00 x (1 - 0.14)).

The Buy-Back Price will not exceed the CGT Value³.

2.3.11 How will I know how many of my Shares have been bought back?

Commencing Thursday, 30 May 2019, Woolworths Group will send all Eligible Shareholders who have offered their Shares for sale through the Buy-Back a statement notifying them of the number of their Shares (if any) that have been bought back and the total amount paid for them.

Shareholders may also enquire online at the Woolworths Group Buy-Back website at woolworthsgroup.com.au/buyback from Tuesday, 28 May 2019. Shareholders may also access this information from Tuesday, 28 May 2019 by contacting the Woolworths Group Share Registry information line on 1300 368 664 within Australia or +61 1300 368 664 from outside Australia (Monday to Friday 8.00am-7.00pm, Sydney time).

1. The maximum Buy-Back Discount is 14% as this is the maximum allowed by the ATO.
 2. A\$25.80 is an example only. You should not rely on this price being the Buy-Back Price.
 3. For further information about the CGT Value and its impact on the Buy-Back Price, see Section 3.1.2(a) "Capital Gains Tax - disposal of Shares (acquired after 19 September 1985) - Australian resident Eligible Shareholders".

2.3.12 How will any scale back work?

If the total number of Shares offered for sale at a Buy-Back Discount at or above the Final Buy-Back Discount and/or as Final Price Offers is more than the total number of Shares Woolworths Group determines to buy back, there may be a need for a scale back so that not all the Shares offered for sale will be bought back.

Any scale back will be implemented in the manner described below.

- (a) If the Final Buy-Back Discount is between 10% and 13% (inclusive), successful offers will be determined as follows:
- offers at a Buy-Back Discount greater than the Final Buy-Back Discount will be accepted in full;
 - Final Price Offers will be accepted in full;
 - offers at the Final Buy-Back Discount (other than Final Price Offers) will be scaled back on a pro rata basis if necessary;
 - offers at a Buy-Back Discount lower than the Final Buy-Back Discount will be rejected in full; and
 - notwithstanding any of the above, offers conditional on a Minimum Price that is higher than the Buy-Back Price will be rejected in full.
- (b) If the Final Buy-Back Discount is 14%, successful offers will be determined as follows:
- offers at a 14% Buy-Back Discount and Final Price Offers will be accepted, but will be scaled back on a pro rata basis if necessary;
 - offers at a Buy-Back Discount lower than 14% will be rejected in full; and
 - notwithstanding any of the above, offers conditional on a Minimum Price that is higher than the Buy-Back Price will be rejected in full.

However, the scale back will not apply to the first 180 Shares (or lesser number) you offered for sale through the Buy-Back at a Buy-Back Discount at or above the Final Buy-Back Discount or as a Final Price Offer. This is called the Priority Allocation and is designed to ensure that smaller shareholders can successfully participate in the Buy-Back.

To assist you to understand how a scale back may affect your offer to sell your Shares, the following scenario has been provided.

When the scale back is applied to each successful offer, all fractions will be rounded down to the nearest Share.

Woolworths Group intends to announce the details of any scale back to ASX as soon as possible after the Offer Period closes. The proposed date of announcement is Monday, 27 May 2019.

Scenario: Buy-Back Discount of 14% (illustrative example only)

In the scenario, we assume the Market Price is A\$30.00 and the Final Buy-Back Discount is 14% resulting in a Buy-Back Price of A\$25.80. It is also assumed in this example that there is a 50% scale back which applies after the Priority Allocation of 180 Shares (or lesser number successfully offered for sale). Please be aware that this is an example only. You should not rely on A\$30.00 being the Market Price, nor A\$25.80 being the Buy-Back Price.

The outcome of each offer would be as follows:

| | Total holding | Shares offered | Buy-Back Discount (%) | Price represented by Buy-Back Discount (A\$) | Outcome |
|---------------|---------------|----------------|-----------------------|--|--|
| Shareholder A | 300 | 300 | - | Final Price Offer | Successful, 240 Shares bought back |
| Shareholder B | 150 | 150 | 14 | 25.80 | Successful, all 150 Shares bought back |
| Shareholder C | 8,000 | 7,600 | 14 | 25.80 | Successful, 3,890 Shares bought back |
| | | 400 | 13 | 26.10 | Not successful, no Shares bought back |
| Shareholder D | 20,000 | 5,000 | 12 | 26.40 | Not successful, no Shares bought back |
| | | 3,000 | 10 | 27.00 | Not successful, no Shares bought back |

Shareholder A offered to sell Shares through the Buy-Back as a Final Price Offer and so their offer for sale would be successful. However, only 240 of the 300 Shares offered for sale would be bought back as a result of the 50% scale back and the Priority Allocation.

Shareholder B offered to sell Shares through the Buy-Back at a Buy-Back Discount equal to the Final Buy-Back Discount and so their offer for sale would be successful. All of the 150 Shares offered for sale would be bought back as this is less than the Priority Allocation.

Shareholder C offered to sell two parcels of Shares through the Buy-Back at two Buy-Back Discounts: 7,600 Shares at a 14% discount and 400 Shares at

a 13% discount. The offer for sale submitted at a 14% discount would be successful but only 3,890 of the 7,600 Shares offered would be bought back as a result of the 50% scale back and the Priority Allocation. The offer for sale submitted at a 13% discount would not be successful as that Buy-Back Discount is lower than the Final Buy-Back Discount.

Shareholder D offered for sale through the Buy-Back two parcels of Shares at Buy-Back Discounts lower than the Final Buy-Back Discount so their offer for sale would not be successful.

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2.4 Can I trade my Shares after submitting an offer?

Once you have offered Shares for sale through the Buy-Back, you should not:

- sell or offer to sell those Shares;
- convert those Shares from an Issuer Sponsored Holding to a CHESS Holding or vice versa; or
- move them between CHESS Holdings (for instance, if you change your controlling CHESS participant).

However, any Shares which you have not offered for sale through the Buy-Back may be sold or otherwise dealt with in the ordinary manner.

Once you have submitted an Offer Form in respect of some or all of your Shares, the Woolworths Group Share Registry will place the relevant number of Shares in a "sub-position" in the Share register and you will not be able to trade those Shares until Tuesday, 28 May 2019 (being the next business day after the Buy-Back Date).

You can withdraw or amend your offer to sell your Shares before the Offer Period closes by completing a Withdrawal/Amendment Form (available online). However, your Shares may not be released from the "sub-position" in the Shares register and you may not be able to trade those Shares until Tuesday, 28 May 2019 (being the next business day after the Buy-Back Date).

If, on the Buy-Back Date, you do not hold at least the number of Shares you offered for sale, Woolworths Group may, in its absolute discretion, reject your offer(s) or treat the offer(s) as if you had offered the number of Shares held by you at the Closing Date.

2.5 If I purchase other Shares on ASX during the Offer Period, can I offer those Shares for sale through the Buy-Back?

You may only offer Shares for sale through the Buy-Back that are registered in your name on the Buy-Back Record Date (Monday, 8 April 2019).

2.6 Will I still receive the Interim Dividend if my Shares are bought back?

Yes, all shareholders who are entitled to receive the fully franked Interim Dividend will be paid the Interim Dividend on Friday, 5 April 2019 whether or not they participate in the Buy-Back.

2.7 Can I offer Shares acquired under the DRP with respect to the Interim Dividend into the Buy-Back?

Yes, Shares acquired under the DRP with respect to the Interim Dividend will be registered in your name on Friday, 5 April 2019 which is prior to the Buy-Back Record Date on Monday, 8 April 2019.

2.8 Can I still vote at Woolworths Group meetings if I offer my Shares into the Buy-Back?

Holders of Shares are entitled to vote at any meeting of Woolworths Group that is held before the Buy-Back Date. There is no general meeting currently scheduled before the Buy-Back Date.

After the Buy-Back Date, you can vote at meetings if you continue to hold at least one Share.

Section 3

Tax implications for shareholders

3.1 Australian tax implications for shareholders

The following discussion is intended only as a general summary of the Australian income tax implications of participating in the Buy-Back.

If you decide to participate in the Buy-Back, your particular tax treatment will depend on your personal tax situation. It is therefore important that you seek professional tax advice to take into account your particular situation.

Unless otherwise specified, this discussion is based on Australian income tax legislation and administrative practice as at the date of this Booklet. These laws, the interpretation of them by the courts, and administrative practice may change at any time, and sometimes with retrospective effect.

Woolworths Group has received a draft Class Ruling from the ATO for Eligible Shareholders who participate in the Buy-Back, which provides preliminary confirmation of a number of the statements contained in this summary. The ATO will not issue the Class Ruling in a form that is binding until after completion of the Buy-Back. Although it is not anticipated to be the case, when the binding Class Ruling is issued by the ATO, it is possible that it may express a view contrary to that set out below.

This general summary of the Australian income tax implications of participating in the Buy-Back is limited to Eligible Shareholders who hold their Shares on capital account and therefore may be assessed for tax under the CGT provisions on Shares bought back by Woolworths Group. Eligible Shareholders who:

- carry on a business of dealing in shares or who otherwise hold their Shares on revenue account;
- are subject to the taxation of financial arrangements (TOFA) regime that affects the recognition of gains and losses in respect of their Shares; or
- acquired their Shares under a Woolworths Group employee share plan,

may be assessed on their dealings in Shares other than under the CGT provisions. The tax consequences for those Eligible Shareholders may differ significantly from those discussed below.

3.1.1 Income tax — treatment of Dividend Component of Buy-Back Price

(a) Australian resident Eligible Shareholders

What proportion of the Buy-Back Price is a deemed dividend that I must include in my assessable income?

The Buy-Back will constitute an 'off-market' buy-back for the purposes of Division 16K of Part III of the *Income Tax Assessment Act 1936* (Cth).

It is anticipated that the Capital Component of the Buy-Back Price will be \$4.79 and that all of the Buy-Back Price in excess of \$4.79 (Dividend Component) will be treated as a frankable distribution.

You will need to include the Dividend Component in your assessable income.

Will I be entitled to a tax offset?

The Dividend Component will be fully franked.

If you are entitled to the benefit of franking credits on the Dividend Component (see Section 3.1.1(c) "Franking credit entitlements"), you will also:

- need to include the franking credits on the Dividend Component in your assessable income; and
- be entitled to a tax offset equal to the franking credits.

The tax offset may reduce the total tax payable on your taxable income. If you are an individual or a complying superannuation entity and your total tax offsets exceed the total tax payable on your taxable income, you may be entitled to a cash refund of that excess.

Generally, no refunds will be available to companies if the tax offset exceeds the tax payable, however, they may be able to carry forward any excess tax offsets to reduce tax payable in future income years.

Will an Australian resident company be entitled to a credit in its own franking account?

If the company satisfies the holding period rules (see Section 3.1.1(c) "Franking credit entitlements"), the company should post the franking credits in its franking account which can be used to frank dividends that the company pays.

(b) Non-resident Eligible Shareholders

If you are a non-resident Eligible Shareholder and do not carry on business through a permanent establishment in Australia, the Dividend Component is not subject to either Australian income tax or Australian withholding tax as it will be fully franked. The franking credits on the Dividend Component will generally have no further relevance for you and no part of those franking credits is refundable by the ATO to you.

Different consequences may arise if you hold Shares as part of a business conducted through a permanent establishment in Australia. In that case, you should obtain specific Australian tax advice before making a decision to participate in the Buy-Back.

The treatment of the Dividend Component as a deemed dividend is a function of Australian tax legislation and does not alter the fact that the Buy-Back Price represents the proceeds from selling Shares back to Woolworths Group. Therefore, it cannot be assumed that the tax laws of the jurisdiction in which you reside will treat any part of the Buy-Back Price as a dividend.

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(c) Franking credit entitlements

Are there any rules which might deny me the benefit of the franking credits?

The Australian tax legislation includes a number of rules which may prevent you from claiming the benefit of franking credits on the Dividend Component.

These rules are designed to, amongst other things, discourage trading in franking credits. These rules may deny the benefit of franking credits to you generally, or because of your particular situation.

If you do not qualify for the benefit of the franking credits on the Dividend Component, then the franking credits will not be included in your assessable income and you will not be entitled to a tax offset equal to the franking credits. The net effect of this is that you will generally be in a less favourable tax position.

Will the anti-streaming rules deny me the benefit of franking credits?

The draft Class Ruling sets out the ATO's preliminary confirmation that the ATO will not make a determination to generally deny Eligible Shareholders the benefit of franking credits on the Dividend Component.

However, the particular situation of each Eligible Shareholder will also be relevant in determining whether the rules deny the benefit of the franking credits. For example, the period during which you hold the Shares and any arrangements you have in relation to the Shares will be important.

How long do I have to hold the Shares to be entitled to the franking credits?

To qualify for the franking credits on the Dividend Component you must be a 'qualified person'. You will be a qualified person if:

- you satisfy one of the specific concessions in the legislation (for example, you are an individual whose total franking credit entitlement for the income year does not exceed A\$5,000); or
- you satisfy the 45-day rule.

The 45-day rule is complex. In broad terms, the 45-day rule requires that you must have held your Shares 'at risk' for a period of at least 45 days, excluding the days of acquisition and disposal.

Generally:

- if you acquired your Shares on or before Thursday, 4 April 2019, you will have held your Shares for 45 days¹; and
- if you acquired your Shares under the DRP with respect to the Interim Dividend on Friday, 5 April 2019, they can be offered into the Buy-Back and you will have held those Shares for 45 days¹.

Will I have held my Shares 'at risk' over this 45 day period?

You may not satisfy the 45-day rule even if you acquired your Shares on or before Thursday, 4 April 2019, or if you acquired your Shares under the DRP with respect to the Interim Dividend on 5 April 2019. This may be the case where you have entered into other arrangements regarding the Shares, which reduce the risk of loss or opportunity for gain on the Shares. For example, granting an option to another person to acquire the Shares would reduce that risk or opportunity.

In addition, if you are under an obligation to make a payment that passes the benefit of the Dividend Component to another person, you may also not qualify for the franking credits unless other 'at risk' holding requirements are satisfied.

If I acquire Shares on or after the Buy-Back Ex-Entitlement Date, will this impact Shares offered for sale through the Buy-Back?

The 45-day rule operates on a last-in-first-out principle so you will be deemed, for the purpose of applying the 45-day rule, to have first disposed of your most recently acquired Shares under the Buy-Back.

It has long been accepted by the ATO that the last-in-first-out principle does not apply to shares acquired on or after a buy-back ex-entitlement date. This is because shares acquired on an ex-buy-back entitlement basis are not considered to be the same type of shares as those which are entitled to participate in the buy-back. Therefore, the acquisition of new Shares on or after the Buy-Back Ex-Entitlement Date (Friday, 5 April 2019), other than Shares acquired under the DRP in respect of the Interim Dividend, will not affect your entitlement to franking credits on the Dividend Component of Shares which you sell through the Buy-Back.

3.1.2 Capital Gains Tax — disposal of Shares (acquired after 19 September 1985)²

(a) Australian resident Eligible Shareholders

You will be deemed for CGT purposes, to have disposed of each Share for the Capital Component of A\$4.79 plus the amount (if any) by which the **CGT Value** exceeds the Buy-Back Price (**Capital Proceeds**). The date of disposal will be taken, for CGT purposes, to be the Buy-Back Date Monday, 27 May 2019.

What is the CGT Value of the Shares?

In 2004, the ATO released Taxation Determination TD 2004/22 (TD 2004/22) which sets out the ATO's view in relation to determining the CGT Value of shares bought back off-market. TD 2004/22 provides that the CGT Value should be determined as the volume weighted average price of the shares over the last five trading days before the first announcement of the buy-back, adjusted for the movement in the S&P/ASX 200 Index from the opening of trading on the announcement date to the close of trading on the day the buy-back closes.

Consistent with that ATO view, the CGT Value will be determined in accordance with the following formula:

$$A \times \frac{B}{C}$$

A = VWAP of Shares traded on ASX over the last five trading days before the announcement of the Buy-Back on Monday, 1 April 2019.

B = closing level of the S&P/ASX 200 Index on the Closing Date (expected to be Friday, 24 May 2019).

C = opening level of the S&P/ASX 200 Index on Monday, 1 April 2019.

If the movement in the S&P/ASX 200 Index is significantly different from the movement in the Share price on ASX over the relevant period (applying a VWAP methodology), Woolworths Group may approach the

1. Assuming the Buy-Back Date is Monday, 27 May 2019.

2. Shares acquired on or before 19 September 1985 will not normally be subject to CGT in Australia. However, the Dividend Component for such Shares will be relevant for Australian income tax purposes. Furthermore, if you are the trustee of a superannuation fund, Shares acquired on or before 19 September 1985 will be subject to CGT in Australia.

ATO to seek to vary the methodology used to determine the CGT Value.

If the Buy-Back Price exceeds the CGT Value, a portion of the Dividend Component equal to the difference between the Buy-Back Price and the CGT Value would be deemed to be unfrankable. To avoid this adverse impact for Eligible Shareholders, Woolworths Group undertakes that it will not buy back any Shares for an amount in excess of the CGT Value.

Will I make a capital gain or a capital loss on sale of Shares through the Buy-Back?

You will make a capital gain on Shares disposed of under the Buy-Back to the extent that the Capital Proceeds exceed your CGT cost base for the Shares. You will make a capital loss if your CGT cost base for the Shares exceeds the Capital Proceeds. No allowance for indexation or non-capital costs is made in determining the CGT cost base of Shares in calculating a capital loss.

The capital loss which arises under the Buy-Back may be greater than the capital loss which may have arisen under an equivalent sale of the Shares on ASX. This is because the Capital Proceeds are limited to A\$4.79 plus the amount (if any) by which the CGT Value exceeds the Buy-Back Price, rather than the price at which you may have sold your Shares on ASX. The lower Capital Proceeds also mean that any capital gain which may otherwise have arisen on disposal of the Shares under the Buy-Back is reduced or eliminated.

If you are a company, or normally taxed as a company, it does not necessarily follow that you will have a capital loss if the Capital Proceeds are less than your CGT cost base for the Shares (excluding indexation and non-capital costs). Where a shareholder is a company, or is normally taxed as a company, the amount of any capital loss is reduced (but not below nil) by the lesser of:

- the fully franked Dividend Component; and
- the amount of the capital loss.

If a capital loss does arise from the Buy-Back, you cannot offset that capital loss or any part of it against the Dividend Component or any franking credit included in your assessable income, as it can only be used to offset capital gains. Capital losses that are not used in the income year in which they arise may usually be carried forward and used to offset capital gains made in future income years.

Will I receive a CGT discount?

If you have held your Shares 12 months or more prior to the Buy-Back Date, you may be eligible for the CGT discount in respect of a capital gain made on your Shares in which case you will need to only include in your assessable income one-half (for individuals) and two-thirds (for complying superannuation funds) of any net capital gain. If you are a company, you are not entitled to any CGT discount.

For the purposes of determining your net capital gain, you must take into account all capital gains and capital losses arising in the income year.

What will be my CGT cost base?

Generally, the CGT cost base for a Share will be the amount that you paid to acquire the Shares together with certain incidental costs of acquisition, for example stamp duty and brokerage, and certain incidental costs of disposal.

If you are the trustee of a superannuation fund, you should note that the cost base of Shares acquired before 1 July 1988 may be adjusted to the market value of the Shares on 30 June 1988.

Can the CGT cost base be indexed?

If you are not a company and you acquired your Shares at or before 11:45am (ACT time) on 21 September 1999, you may choose whether to index the cost base to 30 September 1999 or to apply the CGT discount. A company is permitted to index the cost base of Shares acquired before 11:45am (ACT time) on 21 September 1999, but is not permitted to apply the CGT discount.

If you acquired your Shares after 11:45am (ACT time) on 21 September 1999, you cannot index your cost base. However, you may apply the CGT discount (unless you are a company) in calculating any capital gain on disposal if you have held your Shares for at least 12 months.

Indexation does not apply to the calculation of a capital loss.

(b) Non-resident Eligible Shareholders

Under Australian CGT rules, a taxable capital gain or capital loss generally will not arise for a non-resident Eligible Shareholder participating in the Buy-Back.

However, different consequences may arise if you hold Shares as part of a business conducted through a permanent establishment in Australia or if you have previously resided in Australia and held the relevant Shares at the time you left Australia. If these circumstances apply to you, you should obtain specific Australian tax advice before making any decision to participate in the Buy-Back.

The New Zealand tax implications of participating in the Buy-Back for Eligible Shareholders who are tax resident in New Zealand are discussed in Section 3.2 "New Zealand tax implications for shareholders".

3.1.3 Worked examples of potential tax consequences for Australian resident individuals and Australian complying superannuation funds

The following worked examples set out the potential tax consequences per Share for Australian resident individuals and Australian complying superannuation funds participating in the Buy-Back.

The examples assume a Buy-Back Price of A\$25.80 (assuming a Final Buy-Back Discount of 14% to an assumed Market Price of A\$30.00) and an illustrative cost base for CGT purposes of A\$25.00 per Share.

The examples also set out the potential after-tax proceeds of a sale of the Shares on ASX. This assumes the Shares will trade on ASX for an amount that is equal to the CGT Value, and excludes any transaction or other incidental costs.

It is important to understand that these are illustrative examples only and are based on a number of assumptions including:

- a Buy-Back Price which may not be the actual Buy-Back Price. The actual Buy-Back Price and the amount of the Dividend Component will not be known until after the close of the Offer Period;
- a CGT Value which may change (see Section 3.1.2(a) "Capital Gains Tax - disposal of Shares (acquired after 19 September 1985) - Australian resident Eligible Shareholders". The actual CGT Value will not be known until after the close of the Offer Period;
- a cost base which may not be your actual cost base for your Shares; and
- use of the discount capital gain method, which may or may not be applicable depending on your personal tax situation.

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In any event, the tax consequences for an Australian resident individual or an Australian complying superannuation fund may be different from the illustrative examples because of their particular situation.

The amounts calculated in the illustrative example will not necessarily reflect the actual tax consequences for you if you choose to participate in the Buy-Back.

| Per Share A\$ | Methodology | Superfund | Income |
|--|-------------------------------|-----------------|--|
| | | 15% tax rate | A\$0 - A\$18,200 0% marginal tax rate |
| Australian tax implications of selling a Share through the Buy-Back | | | |
| Income tax consequences (deemed dividend) | | | |
| Buy-Back Price | A | 25.80 | 25.80 |
| Less: Capital Component | B | (4.79) | (4.79) |
| Dividend Component | C = A - B | 21.01 | 21.01 |
| Add: gross-up for franking credits | D = C x 30/70 | 9.00 | 9.00 |
| Assessable income | E = C + D | 30.01 | 30.01 |
| Less: tax on deemed dividend | F = E x tax rate | (4.50) | 0.00 |
| Add: tax offset for franking credits | G = D | 9.00 | 9.00 |
| After tax dividend proceeds | H = C - F + G | 25.51 | 30.01 |
| CGT consequences | | | |
| Capital Component | B | 4.79 | 4.79 |
| Excess of CGT Value | I | 4.20 | 4.20 |
| Capital Proceeds | J = B + I | 8.99 | 8.99 |
| Less: cost base | K | (25.00) | (25.00) |
| Nominal capital (loss)/gain | L = J - K | (16.01) | (16.01) |
| Discounted capital (loss)/gain | M = L x (1 - discount factor) | (10.67) | (8.01) |
| Tax value of capital loss/(gain) | N = - M x tax rate | 1.60 | 0.00 |
| Add: Capital Component | B | 4.79 | 4.79 |
| After tax capital proceeds | O = N + B | 6.39 | 4.79 |
| Total after tax proceeds | P = H + O | 31.90 | 34.80 |
| Australian tax implications of selling a Share on ASX | | | |
| Sale consideration | Q | 30.00 | 30.00 |
| Less: cost base | K | (25.00) | (25.00) |
| Nominal capital (loss)/gain | R = Q - K | 5.00 | 5.00 |
| Discounted capital (loss)/gain | S = R x (1 - discount factor) | 3.33 | 2.50 |
| Tax on capital loss/(gain) | T = - S x tax rate | (0.50) | 0.00 |
| Total after tax proceeds | U = Q + T | 29.50 | 30.00 |

Notes:

- It is assumed that the marginal tax rate for individuals includes the Medicare levy at a rate of 2%. The liability of an individual to pay the Medicare levy depends on the individual's particular situation.
- It is assumed that the excess of CGT Value over the Buy-Back Price is equal to A\$4.20. This may not be correct as the CGT Value and Buy-Back Price will not be known until after the Buy-Back closes.
- It is assumed that the Eligible Shareholder is fully entitled to the franking credits on the Dividend Component.
- Under the discount capital gain method, the total capital gain is adjusted by a discount factor which is 50% for individuals and 33¹/₃ % for complying superannuation funds.
- Although a capital loss cannot be discounted, it is assumed that the capital loss is offset against a capital gain and that the net amount is then discounted. If a capital loss is offset against a capital gain that cannot be discounted (e.g. on assets held for less than 12 months), the tax consequences of the capital loss will be greater (more favourable) than shown.
- It is assumed that Eligible Shareholders will be able to fully utilise the capital loss which arises under the Buy-Back to offset capital gains derived from other assets. This capital loss may be different to any capital gain/loss that may have arisen under an equivalent sale of the Shares on ASX. This is because the Capital Proceeds are limited to A\$4.79 plus A\$4.20 (the amount by which the assumed CGT Value exceeds the assumed Buy-Back Price). The excess of A\$4.20 is illustrative only as it depends on the CGT Value which will not be known until after the Buy-Back closes.
- It is assumed that the sale consideration per Share is equal to the current price of a Share trading on ASX. This may not be correct as you may have to pay transaction or other incidental costs, such as brokerage.

Australian resident individuals

| Income A\$18,201 - A\$37,000 | Income A\$37,001 - A\$90,000 | Income A\$90,001 - A\$180,000 | Income A\$180,001 and over |
|---------------------------------|---------------------------------|----------------------------------|-------------------------------|
| 21.0% marginal tax rate | 34.5% marginal tax rate | 39.0% marginal tax rate | 47.0% marginal tax rate |
| 25.80 | 25.80 | 25.80 | 25.80 |
| (4.79) | (4.79) | (4.79) | (4.79) |
| 21.01 | 21.01 | 21.01 | 21.01 |
| 9.00 | 9.00 | 9.00 | 9.00 |
| 30.01 | 30.01 | 30.01 | 30.01 |
| (6.30) | (10.35) | (11.70) | (14.10) |
| 9.00 | 9.00 | 9.00 | 9.00 |
| 23.71 | 19.66 | 18.31 | 15.91 |
| 4.79 | 4.79 | 4.79 | 4.79 |
| 4.20 | 4.20 | 4.20 | 4.20 |
| 8.99 | 8.99 | 8.99 | 8.99 |
| (25.00) | (25.00) | (25.00) | (25.00) |
| (16.01) | (16.01) | (16.01) | (16.01) |
| (8.01) | (8.01) | (8.01) | (8.01) |
| 1.68 | 2.76 | 3.12 | 3.76 |
| 4.79 | 4.79 | 4.79 | 4.79 |
| 6.47 | 7.55 | 7.91 | 8.55 |
| 30.18 | 27.21 | 26.22 | 24.46 |
| 30.00 | 30.00 | 30.00 | 30.00 |
| (25.00) | (25.00) | (25.00) | (25.00) |
| 5.00 | 5.00 | 5.00 | 5.00 |
| 2.50 | 2.50 | 2.50 | 2.50 |
| (0.53) | (0.86) | (0.98) | (1.18) |
| 29.47 | 29.14 | 29.02 | 28.82 |

To assist you to understand the tax implications for you if you choose to participate in the Buy-Back, Woolworths Group will provide access to a tax calculator through the Woolworths Group Buy-Back website woolworthsgroup.com.au/buyback during the Offer Period.

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3.2 New Zealand tax implications for shareholders

The following discussion is intended only as a general summary of the New Zealand income tax implications of participating in the Buy-Back for Eligible Shareholders who are tax resident in New Zealand.

If you decide to participate in the Buy-Back, your particular tax treatment will depend on your personal tax situation. It is therefore important that you seek professional tax advice to take into account your particular situation.

For New Zealand income tax purposes, the Buy-Back Price (both the Capital Component and the Dividend Component) will be treated as a dividend. Eligible Shareholders who are tax resident in New Zealand will need to include that dividend in their assessable income and will be subject to tax in New Zealand. No tax credit is available in New Zealand for franking credits attached to the Dividend Component.

For those Eligible Shareholders who are tax resident in New Zealand and hold their Shares on revenue account for New Zealand income tax purposes, the Buy-Back is also treated as consideration received for the disposal of those Shares. In order to ensure there is no double taxation, for the purposes of certain provisions which apply to treat the Buy-Back Price as consideration for the disposal of the Shares, the amount treated as having been received for the disposal for the purposes of those provisions is reduced by the assessable dividend which is also treated as arising from the Buy-Back for New Zealand income tax purposes.

Section 4

Effect of the Buy-Back on Woolworths Group

4.1 Half year results and outlook

On 20 February 2019, Woolworths Group announced its results for the half year period ended 30 December 2018. The announcement can be found at woolworthsgroup.com.au/page/investors/our-performance/Financial_Results. You should read the results so that you understand our current financial position and the pro-formas set out in Section 4.6 "Impact of the Buy-Back on Woolworths Group's balance sheet".

You should also consider other information about Woolworths Group previously made available to you, such as Woolworths Group's 2018 Annual Report and any announcements made on or after the date of this Booklet which can be found at woolworthsgroup.com.au/page/investors.

4.2 BIG W Review

On 1 April 2019, Woolworths Group announced the outcome of a review of the BIG W store and distribution centre network.

The outcome will accelerate the turnaround plan for BIG W. It is not significant in the context of the whole of Woolworths Group and does not affect the ability of Woolworths Group to complete the Buy-Back.

Woolworths Group has identified approximately 30 BIG W stores for closure over the next three years and two distribution centres that will close at the end of their leases. The pre-tax costs of exiting these sites total approximately \$270 million and mainly include lease and other store exit costs. The review also identified approximately \$100 million of non-cash asset impairments reflecting a more conservative level of margin recovery expected from BIG W.

A summary of the financial impact of the buyback is set out in Section 4.6 "Impact of the Buy-Back on Woolworths Group's balance sheet" which includes a reference to the review in footnote 2.

4.3 Corporate activity

Woolworths Group may be involved in exploratory discussions with third parties from time to time regarding potential corporate transactions and other strategic initiatives. In the event that a significant corporate transaction develops as a result of these discussions, and it is not appropriate to immediately disclose the transaction, it may become necessary for Woolworths Group to terminate or extend the Buy-Back to ensure that the Buy-Back only proceeds in circumstances where shareholders are fully informed of all material information. Any decision to terminate the Buy-Back or extend the Offer Period will only be made after due consideration of the best interests of Woolworths Group's shareholders.

4.4 How will the Buy-Back be funded?

The Buy-Back is expected to be funded from Woolworths Group's cash reserves which includes the net proceeds of the recent sale of the Petrol business. Given the strength of Woolworths Group's financial position, it will remain strongly capitalised after completion of the Buy-Back and maintain balance sheet settings consistent with a solid investment grade credit rating.

4.5 Impact of the Buy-Back on Woolworths Group's key financial indicators

The precise impact of the Buy-Back cannot be determined until the Buy-Back Price and the final size of the Buy-Back are determined. However, the Buy-Back is expected to increase Woolworths Group's earnings per share and return on equity.

Woolworths Group expects to be able to maintain its full year ordinary dividend payout ratio of 70% of net profit after tax (before significant items).

Conducting the Buy-Back by way of a tender process allows Woolworths Group to buy back Shares at a discount between 10% and 14% (inclusive) at 1% intervals to the Market Price which, in turn, allows Woolworths Group to buy back a greater number of Shares than under an on-market buy-back for the same cash consideration. The more Shares that are purchased, the greater the expected increase in these metrics.

4.6 Impact of the Buy-Back on Woolworths Group's balance sheet

The following table sets out Woolworths Group's reported balance sheet and a pro-forma balance sheet as at 30 December 2018 assuming A\$1.7 billion of Shares are bought back under the Buy-Back at a Buy-Back Price of A\$25.80 (assuming a Final Buy-Back Discount of 14% to an assumed Market Price of A\$30.00, but please be aware that this is an example only and you should not rely on this price as being the Buy-Back Price). The value of Shares actually bought back will be determined by Woolworths Group.

The pro-forma balance sheet includes adjustments for the payment of the Interim Dividend and completion of the sale of the Petrol business, which were announced subsequent to 30 December 2018. The review of the BIG W store and distribution centre network has been completed, however this has not been adjusted in the pro-forma balance sheet.

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| As at 30 December 2018 A\$M | Reported balance sheet | Adjustments¹ | Adjustment for Buy-Back | Pro-forma balance sheet^{2,3} |
|---|-----------------------------------|--------------------------------|------------------------------------|--|
| Current assets | | | | |
| Cash and cash equivalents | 1,618 | 1,132 | (1,700) | 1,050 |
| Trade and other receivables | 821 | | | 821 |
| Inventories | 4,752 | | | 4,752 |
| Other financial assets | 54 | | | 54 |
| Assets held for sale | 843 | (683) | | 160 |
| Total current assets | 8,088 | 449 | (1,700) | 6,837 |
| Non-current assets | | | | |
| Trade and other receivables | 107 | | | 107 |
| Other financial assets | 622 | | | 622 |
| Property, plant and equipment | 9,335 | | | 9,335 |
| Intangible assets | 6,522 | | | 6,522 |
| Deferred tax assets | 215 | | | 215 |
| Total non-current assets | 16,801 | - | - | 16,801 |
| Total assets | 24,889 | 449 | (1,700) | 23,638 |
| Current liabilities | | | | |
| Trade and other payables | 7,726 | | | 7,726 |
| Borrowings | 555 | | | 555 |
| Current tax payable | 117 | | | 117 |
| Other financial liabilities | 60 | | | 60 |
| Provisions | 1,352 | | | 1,352 |
| Liabilities directly associated with assets held for sale | 207 | (207) | | - |
| Total current liabilities | 10,017 | (207) | - | 9,810 |
| Non-current liabilities | | | | |
| Borrowings | 2,316 | | | 2,316 |
| Other financial liabilities | 39 | | | 39 |
| Provisions | 932 | | | 932 |
| Other non-current liabilities | 321 | | | 321 |
| Total non-current liabilities | 3,608 | - | - | 3,608 |
| Total liabilities | 13,625 | (207) | - | 13,418 |
| Net assets | 11,264 | 656 | (1,700) | 10,220 |
| Equity | | | | |
| Contributed equity | 6,169 | | (316) | 5,853 |
| Reserves | 447 | | | 447 |
| Retained earnings | 4,267 | 656 | (1,384) | 3,539 |
| Equity attributable to equity holders of the parent entity | 10,883 | 656 | (1,700) | 9,839 |
| Non-controlling interests | 381 | | | 381 |
| Total equity | 11,264 | 656 | (1,700) | 10,220 |

- Adjustments include the following transactions which have been announced or incurred subsequent to 30 December 2018:
 - The announcement of the Interim Dividend of 45 cents per share (A\$593 million). The total amount is a cash outflow as Shares may be purchased on-market to satisfy Woolworths Group's obligation under the Dividend Reinvestment Plan.
 - The completion of the sale of the Petrol business to the EG Group for A\$1,725 million (subject to final working capital adjustments). The adjustment assumes that the assets and liabilities held for sale are disposed of at the values as included in the 2019 Half-Year Financial Report and does not include the impact of transactions since 30 December 2018.
- The pro-forma balance sheet does not include the impact of the BIG W network review. Woolworths Group has identified approximately 30 BIG W stores for closure over the next three years and two distribution centres that will close at the end of their leases. The pre-tax costs of exiting these sites total approximately \$270 million and mainly include lease and other store exit costs. The review also identified approximately \$100 million of non-cash asset impairments reflecting a more conservative level of margin recovery expected from BIG W.
- Incidental costs of the Buy-Back have been excluded since they are not significant to the pro-forma calculation.

4.7 Impact of the Buy-Back on Woolworths Group's issued Shares

As at Friday, 29 March 2019, Woolworths Group had 1,317,420,520 Shares on issue. The number of Shares to be bought back under the Buy-Back will depend on the Buy-Back Price and final size of the Buy-Back.

The table below sets out the number of Shares and the percentage of total issued Shares which would be bought back at different Buy-Back Prices assuming A\$1.7 billion worth of Shares are bought back under the Buy-Back. All Shares that are bought back will be cancelled.

| Buy-Back Discount | Buy-Back Price (A\$) | Number of Shares bought back (M) | Percentage of total issued Shares (%) |
|-------------------|----------------------|----------------------------------|---------------------------------------|
| 14% | 25.80 | 65.9 | 5.00 |
| 13% | 26.10 | 65.1 | 4.94 |
| 12% | 26.40 | 64.4 | 4.89 |
| 11% | 26.70 | 63.7 | 4.83 |
| 10% | 27.00 | 63.0 | 4.78 |

4.8 Impact of the Buy-Back on Woolworths Group's franking account

The amount of franking credits that will be utilised under the Buy-Back will depend on the Buy-Back Price and final size of the Buy-Back. By way of example only, if it is assumed that A\$1.7 billion worth of Shares are bought back under the Buy-Back at a Buy-Back Price of A\$25.80, approximately A\$665 million of franking credits would be utilised. Such an impact is not expected to adversely impact Woolworths Group's ability to continue to fully frank future ordinary dividends.

4.9 What effect will the Buy-Back have on the control of Woolworths Group?

Given the percentage of issued Shares Woolworths Group expects to buy back under the Buy-Back and the diversity of the Share register, there will be no change of control implications from the Buy-Back.

4.10 Forward-looking statements

Certain statements contained in this Booklet may constitute 'forward-looking statements' for the purposes of applicable securities laws. Woolworths Group undertakes no obligation to revise the forward-looking statements included in this Booklet to reflect any future events or circumstances. Woolworths Group's actual results, performance or achievements could differ materially from the results expressed in, or implied by, these forward-looking statements. Factors that could cause or contribute to such differences include the number of Shares bought back pursuant to the Buy-Back Documents, the Buy-Back Price and general trading and economic conditions affecting Woolworths Group and some of which are outside Woolworths Group's control. Further information about Woolworths Group, its business and factors affecting its operations is contained in the Woolworths Group Annual Report 2018 and other reports which can be found at woolworthsgroup.com.au/page/investors.

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Section 5

Additional information

5.1 Woolworths Group employee share schemes

Restricted Employee Shares may not be offered for sale through the Buy-Back as they are subject to restrictions on disposal under the terms of the relevant employee incentive scheme.

Restricted Employee Shares will not be included on your Offer Form.

5.2 Directors' entitlements

Directors are entitled to participate in the Buy-Back, but the Board has determined that all Directors and certain members of Woolworths Group management involved in the implementation of the Buy-Back will not participate in respect of Shares held legally or beneficially by them or their closely related parties.

5.3 Woolworths Group's right to accept or reject offers and Offer Forms

Woolworths Group may, in its absolute discretion and at any time:

- accept or reject any offer to sell Shares or Offer Form; and
- accept or reject an offer to sell Shares not made on the terms and conditions set out in the Buy-Back Documents, or an Offer Form not submitted in accordance with the procedures set out in the Buy-Back Documents.

Woolworths Group will not accept Offer Forms:

- from any person who does not represent that they are not (and they are not acting on behalf of or for the account of a person who is) located in the United States, a US Person, a resident of Canada or otherwise an Ineligible Shareholder; or
- that have been postmarked in the United States or that otherwise appear to Woolworths Group or its agents to have been sent from the United States or by an Excluded Foreign Person.

Woolworths Group may do each of these things in relation to all or some offers to sell Shares or Offer Forms it receives, in its absolute discretion.

Woolworths Group will not accept any offer to sell Shares which it may not lawfully accept or which, if accepted, would give rise to an illegal or unenforceable Buy-Back Contract or a Buy-Back Contract which Woolworths Group cannot otherwise lawfully perform.

5.4 Woolworths Group's right to adjust offers and Offer Forms

Woolworths Group may, in its absolute discretion and at any time, deem any offer to sell Shares or an Offer Form it receives to be a valid offer to sell Shares or an Offer Form; disregard any offer or an Offer Form it believes should be disregarded; and may waive any or all of the requirements for making, amending, withdrawing or submitting an offer to sell Shares or an Offer Form. It may do each of these things in relation to all or some offers to sell Shares or Offer Forms it receives.

Once you have submitted an Offer Form in respect of some or all of your Shares, the Woolworths Group Share Registry will place the relevant number of Shares in a "sub-position" in the Share register and you will not be able to trade those Shares until Tuesday, 28 May 2019 (being the next business day after the Buy-Back Date).

If, on the Buy-Back Date, you do not hold at least the number of Shares you offered for sale, Woolworths Group may, in its absolute discretion, reject your offer(s) or treat the offer(s) as if you had offered for sale the number of Shares held by you at the Closing Date. In particular, Woolworths Group will buy back only the number of Shares held by you on the Closing Date in the following order of priority:

- Woolworths Group will first buy back the Shares you offered at the highest Buy-Back Discount which is equal to or greater than the Final Buy-Back Discount or submitted as a Final Price Offer (and, if you have chosen one, where your Minimum Price condition is satisfied); and
- Woolworths Group will next buy back the balance of the Shares (if any) you offered for sale at the second highest Buy-Back Discount which is equal to or greater than the Final Buy-Back Discount (and, if you have chosen one, where your Minimum Price condition is satisfied) and will repeat this process at different offered Buy-Back Discounts until the balance of your offered Shares are bought back or your offer for the balance is rejected.

If you nominate more than one Minimum Price, your offer will be deemed conditional on the highest Minimum Price you have nominated.

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5.5 ASIC and ASX relief

5.5.1 ASIC relief

ASIC has granted Woolworths Group an exemption under subsection 257D(4) of the Corporations Act. This exemption permits Woolworths Group:

- to conduct the Buy-Back in substantially the same manner as an equal access buy-back, in accordance with Division 2 of Part 2J.1 of the Corporations Act;
- to invite all Eligible Shareholders (other than Excluded Foreign Persons and persons who only hold Restricted Employee Shares) to offer for sale Shares in accordance with the terms and conditions set out in the Buy-Back Documents;
- if an Eligible Shareholder holds both Shares and Restricted Employee Shares, to only accept offers in respect of the Shares;
- to invite all Eligible Shareholders (other than Excluded Foreign Persons and persons who only hold Restricted Employee Shares) holding less than 180 Shares to sell Shares only if they offer all of their Shares at the same Buy-Back Discount or as a Final Price Offer; and
- to use the scale back mechanism described in Section 2.3.12 “How will any scale back work?”,

provided certain conditions are met including that the Buy-Back Price is calculated by applying the Buy-Back Discount selected by Woolworths Group following the end of the Offer Period to the Market Price and that Eligible Shareholders are permitted to offer their Shares for sale conditional on a Minimum Price.

Under the Corporations Act, Woolworths Group may, without shareholder approval, buy back any number of Shares under an equal access scheme, provided that the number of voting shares bought back in the Buy-Back and in any other buy-back conducted in the last 12 months, does not exceed 10% of the smallest number, at any time during the 12 months preceding the Buy-Back, of votes attaching to Woolworths Group’s voting Shares. Woolworths Group intends to conduct the Buy-Back so that it does not exceed this 10% in 12 months limit.

5.5.2 ASX relief

ASX has granted Woolworths Group the following:

- a waiver from ASX Listing Rule 7.40 to permit Woolworths Group to dispatch to Eligible Shareholders either:
 - this Booklet and personalised Offer Forms; or
 - information flyers relating to the Buy-Back (which will provide instructions for Eligible Shareholders to either access the Buy-Back Documents online or request they be physically mailed out)
 within six business days after the Buy-Back Record Date; and
- a waiver from ASX Listing Rule 3.8A to permit Woolworths Group to lodge an Appendix 3F at least half an hour before commencement of trading on the second business day after the Closing Date provided that Woolworths Group announces the Buy-Back Price at least half an hour before the commencement of trading on the business day after the Closing Date.

ASX has also confirmed that it will treat the Buy-Back as an equal access buy-back and will not require daily buy-back notifications (under Appendix 3E) to ASX during the Offer Period.

5.6 Privacy

Woolworths Group is conducting the Buy-Back in accordance with the Corporations Act. This involves the collection of personal information contained in Offer Forms and Withdrawal/Amendment Forms to enable Woolworths Group to process your offer to sell Shares, your Offer Forms and/or your Withdrawal/Amendment Forms. If you do not provide this information, Woolworths Group may be hindered in, or prevented from, processing your offer to sell Shares, your Offer Forms and/or your Withdrawal/Amendment Forms.

The personal information collected by Woolworths Group will only be disclosed to Link Market Services Limited in its capacity as the Woolworths Group Share Registry, a print and mail service provider, Woolworths Group’s advisors in relation to the Buy-Back and to financial institutions in respect of payments to you in connection with the Buy-Back, or as required or authorised by law.

For information about how you can access and correct your personal information and raise privacy concerns, see Link’s privacy policy at linkmarketservices.com.au and Woolworths Group’s privacy policy at woolworthsgroup.com.au/page/privacy-policy/.

5.7 Applicable law

The Buy-Back invitation, your offer to sell Shares to Woolworths Group through the Buy-Back, your Offer Form, and any Buy-Back Contract generally are governed by the laws of New South Wales, Australia.

Section 6

How to participate

6.1 How do I participate in the Buy-Back?

You can participate in the Buy-Back by either:

Going online

- Complete the online Offer Form at woolworthsgroup.com.au/buyback. This is the most effective way of ensuring that your Offer Form is received by 7.00pm (Sydney time) on the Closing Date Friday, 24 May 2019.
- You will require your Securityholder Reference Number (SRN) or Holder Identification Number (HIN). You can find these numbers in the top right hand corner of any shareholder forms previously sent to you.

Using a personalised paper Offer Form

- If you received a paper copy of this Booklet, you will have also received a personalised paper Offer Form. The Offer Form may be one of four colours: blue, yellow, grey or orange.
- If you use this Offer Form, you need to submit it in accordance with the instructions in Step 5.
- If you would like a personalised paper Offer Form, please contact the Woolworths Group Share Registry information line on 1300 368 664 within Australia or +61 1300 368 664 from outside Australia (Monday to Friday 8.00am-7.00pm, Sydney time).

Step 1: Decide how many Shares you wish to sell

To participate in the Buy-Back, you first need to decide how many Shares you wish to sell, if any.

To assist you, Box A on the Offer Form outlines the maximum number of Shares you are entitled to offer for sale through the Buy-Back.

If you decide to participate, you must offer to sell at least 180 Shares or, if you own less than that, you must offer to sell them all.

Step 2: Decide whether to make a Final Price Offer or specify a Buy-Back Discount(s)

Once you have determined the number of Shares you wish to sell, you need to decide whether to offer to sell your Shares:

- at a discount to the Market Price. You can offer to sell at a discount within the range of 10% to 14% (inclusive) at 1% intervals; or
- at the Buy-Back Price, which is an election to sell your Shares at the price determined by Woolworths Group following completion of the tender process described in this Booklet (as a Final Price Offer, see Section 2.3.4 "What is a Final Price Offer?").

Specify in Box B the number of Shares you wish to offer to sell at the relevant Buy-Back Discounts or as a Final Price Offer.

If you hold less than 180 Shares, you must offer all of your Shares at the same Buy-Back Discount(s) or as a Final Price Offer.

If you hold 180 Shares or more, you may offer your Shares at different Buy-Back Discounts and/or as a Final Price Offer. However, you must offer a minimum of 180 Shares in aggregate. For example, you may offer one third of the Shares at a 10% discount, one third

at a 14% discount and one third as a Final Price Offer. However, you may not offer the same Shares at different Buy-Back Discounts (or at both a specified Buy-Back Discount and as a Final Price Offer). Each parcel of Shares offered for sale at a different Buy-Back Discount or as a Final Price Offer is a separate offer (but entered on the one Offer Form).

Calculate the total number of Shares offered and insert that number in Box C. The number in Box C must not exceed the number in Box A. If you have a blue or grey Offer Form, you do not need to complete Box C.

Step 3: Optional - choose your Minimum Price

In addition to choosing to offer your Shares for sale at the specified Buy-Back Discount(s) and/or as a Final Price Offer, you may also decide to place a Minimum Price condition on your offer (see Section 2.3.5 "Can I nominate a Minimum Price for the sale of my Shares?"). This is optional.

If you wish to nominate a Minimum Price, in Box D, place a "✓" next to your chosen Minimum Price.

Step 4: Sign your Offer Form and complete your bank account details

Sign your Offer Form in Box E and provide the relevant contact details.

If Woolworths Group holds bank account details for you, this will be printed on your personalised paper Offer Form and you do not need to provide new details unless you wish to change them. If we do not hold bank account details for you, you need to complete this section and these details will be used for the payment of the Buy-Back Price and future dividend payments. You cannot use a United States bank account for payments in respect of the Buy-Back.

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Step 5: Submit your Offer Form

How you submit your Offer Form will depend on the type of holding you have as outlined in the below table.

| Type of holding | Online submission | Other submission |
|--|--|---|
| Issuer Sponsored Holdings (blue or yellow Offer Forms) | <p>If you wish to submit your Offer Form online, please visit woolworthsgroup.com.au/buyback and follow the instructions.</p> <p>You will require your Securityholder Reference Number (SRN) located in the top right hand corner of any shareholder forms previously sent to you.</p> <p>You will receive a confirmation of submission of your Offer Form.</p> <p>Your completed online Offer Form must be received by the Woolworths Group Share Registry by 7.00pm (Sydney time) on the Closing Date.</p> | <p>Use the personalised paper Offer Form</p> <p>If you wish to use the personalised paper Offer Form, you should complete it and return it to:</p> <p>Woolworths Group Limited C/-Link Market Services Limited PO Box 1511 Sydney South NSW 1234</p> <p>Your completed personalised paper Offer Form must be received by the Woolworths Group Share Registry by 7.00pm (Sydney time) on the Closing Date.</p> |
| CHES Holdings (grey or orange Offer Forms) | <p>If you wish to submit your Offer Form online, please visit woolworthsgroup.com.au/buyback and follow the instructions.</p> <p>You will require your Holder Identification Number (HIN) located in the top right hand corner of any shareholder forms previously sent to you.</p> <p>You will receive a confirmation of submission of your Offer Form.</p> <p>We encourage you to submit your Offer Form online by no later than 5.00pm (Sydney time) on Thursday, 23 May 2019. The Woolworths Group Share Registry will need to confirm with your controlling CHES participant any online submission of your Offer Form before it can be taken as validly submitted and there may not be sufficient time to do so for any online Offer Forms submitted by CHES Holders after 5.00pm (Sydney time) on Thursday, 23 May 2019.</p> | <p>Contact your controlling CHES participant</p> <p>The name of the controlling CHES participant who manages your CHES Holding as at the Buy-Back Record Date is printed on your Offer Form.</p> <p>You need to instruct your controlling CHES participant in sufficient time for them to process your instructions no later than 7.00pm (Sydney time) on the Closing Date (Friday, 24 May 2019).</p> <p>You should not return your Offer Form to the Woolworths Group Share Registry.¹ However, your controlling CHES participant may request that you complete and send your personalised paper Offer Form to them.</p> <p>You will receive written confirmation from CHES of the offers made, withdrawn or amended in respect of your CHES Holding by your controlling CHES participant. You should be aware, that irrespective of its wording, this confirmation is not an acceptance of any offer by Woolworths Group.</p> <p>OR</p> <p>Use the personalised paper Offer Form</p> <p>If you wish to use the personalised paper Offer Form, you should complete it and return it to:</p> <p>Woolworths Group Limited C/-Link Market Services Limited PO Box 1511 Sydney South NSW 1234</p> <p>Your completed personalised paper Offer Form must be received by the Woolworths Group Share Registry by 5.00pm (Sydney time) on Thursday, 23 May 2019. The Woolworths Group Share Registry¹ will need to confirm with your controlling CHES participant any submission of your paper Offer Form before it can be taken as validly submitted and there may not be sufficient time to do so for any paper Offer Forms submitted by CHES Holders after 5.00pm (Sydney time) on Thursday, 23 May 2019.</p> |

1. If you return your completed Offer Form to the Woolworths Group Share Registry instead of to your controlling CHES participant, the Woolworths Group Share Registry will endeavour to contact your controlling CHES participant on your behalf and relay your instructions. It is your controlling CHES participant's responsibility to acknowledge and accept these instructions so please ensure you allow sufficient time to do so. Neither Woolworths Group nor the Woolworths Group Share Registry will be responsible should your controlling CHES participant not acknowledge and accept your instructions. If you are in doubt, you should submit your Offer Form online at woolworthsgroup.com.au/buyback.

6.2 The effect of submitting an Offer Form

When you submit an Offer Form, it constitutes an offer to sell the Shares specified on the Offer Form to Woolworths Group on the terms and conditions set out in the Buy-Back Documents.

An Offer Form does not, of itself, constitute a binding contract for the sale of the Shares specified on the Offer Form and cannot be enforced against Woolworths Group. Woolworths Group retains the discretion to accept or reject any offer to sell Shares (in whole or part), and may choose to reject all offers. If Woolworths Group accepts your offer to sell Shares (in whole or part), a binding Buy-Back Contract is then formed between you and Woolworths Group for the relevant Shares and you must sell those Shares to Woolworths Group on the terms and conditions set out in the Buy-Back Documents including the terms and conditions set out below.

By submitting an Offer Form, you:

- agree to the terms and conditions set out in the Buy-Back Documents;
 - offer to sell to Woolworths Group on the Buy-Back Date the number of Shares specified for sale on your Offer Form (adjusted in accordance with the terms and conditions set out in the Buy-Back Documents) at your specified Buy-Back Discount(s) and/or as a Final Price Offer and subject to any Minimum Price you have nominated;
 - agree to any scale back announced by Woolworths Group;
 - agree that Woolworths Group's announcement to ASX on the Buy-Back Date in relation to the Buy-Back Price and other details is:
 - effective notice or communication of Woolworths Group's acceptance of your offer in respect of all or some of the Shares offered for sale (in accordance with the terms and conditions set out in the Buy-Back Documents); and/or
 - effective notice of Woolworths Group's rejection of your offer in respect of all or some of the Shares offered for sale (in accordance with the terms and conditions set out in the Buy-Back Documents);
 - agree that a Buy-Back Contract is formed for the buy back of the relevant Shares upon Woolworths Group accepting your offer in accordance with the terms and conditions set out in the Buy-Back Documents and posting an announcement on ASX, and that the buy back of the relevant Shares is taken to occur at that time;
 - waive any requirement to receive further notice or communication from Woolworths Group of its acceptance or rejection of any offer submitted by you;
 - warrant to Woolworths Group that:
 - at all times after you offer your Shares for sale through the Buy-Back, and on the Buy-Back Date, you are the registered holder of the Shares that you have offered for sale and that they are fully paid, free from any mortgage, charge, lien, or other encumbrances (whether legal or equitable) and from any third party rights and otherwise able to be sold freely by you;
 - you are a person to whom the invitation to participate in the Buy-Back may lawfully be made,
- you can receive the proceeds of the sale of your Shares, and whose participation in the Buy-Back is permitted under the laws of the jurisdiction in which you are a resident, and that you are not an Ineligible Shareholder;
 - you are not (and you are not acting on behalf of or for the account of), a person located in the United States, a US Person, a resident of Canada, or a person who is otherwise an Ineligible Shareholder;
 - you have not distributed or sent any Buy-Back Documents or other document referring to the Buy-Back into the United States or Canada or to any US Person, resident of Canada or a person who is otherwise an Ineligible Shareholder;
 - you have not utilised in connection with the Buy-Back, directly or indirectly, mail or any means or instrumentality (including without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or any facility of a national securities exchange of, the United States; and
 - you are not offering Restricted Employee Shares or Shares represented by ADRs;
- authorise Woolworths Group (and its officers, agents or contractors) to correct any error in or omission from your Offer Form and/or Withdrawal/Amendment Form, and to insert any missing details;
 - undertake not to sell or offer to sell Shares to any other person if, as a result, you will at any time after you submit your Offer Form until the Buy-Back Date hold fewer Shares than the number of Shares you have offered;
 - acknowledge that neither Woolworths Group nor any other party involved in the Buy-Back has provided you with financial product advice, or any securities recommendation, or has any obligation to provide this advice or recommendation, concerning your decision to participate in the Buy-Back or the manner of any such participation;
 - authorise Woolworths Group to make payment by direct credit to the bank account recorded on your shareholding, or the bank account details that you have provided on your completed Offer Form, and recorded on the Woolworths Group share register at the Closing Date and acknowledge that payments to this account will satisfy Woolworths Group's obligations to pay you for any Shares bought back;
 - undertake that, if you breach any of these covenants, undertakings, agreements or warranties you will indemnify Woolworths Group for all of its costs arising from the breach; and
 - agree that damages are not an adequate remedy for breach of these covenants, undertakings, agreements, representations or warranties.

You will be taken to have submitted an Offer Form when the Woolworths Group Share Registry receives a validly submitted Offer Form either online or by mail or, if you have a CHES Holding, from your controlling CHES participant through CHES.

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6.3 Can I withdraw or amend my Offer Form?

Prior to the Closing Date, you may withdraw or amend your Offer Form by submitting a Withdrawal/Amendment Form through one of the methods set out in Section 6.3.1 "Online withdrawal/amendment" and Section 6.3.2 "Withdrawal/amendment through your controlling CHES participant".

The effect of submitting a Withdrawal/Amendment Form will be to withdraw all of your previous offers and (where applicable) replace them with the offers detailed on the Withdrawal/Amendment Form.

6.3.1 Online withdrawal/amendment

If you wish to submit your Withdrawal/Amendment Form online, please visit the Woolworths Group Buy-Back website at woolworthsgroup.com.au/buyback, select the "Withdrawal/Amendment" option, and follow the instructions. You will receive a confirmation of submission of your Withdrawal/Amendment Form.

You may submit a Withdrawal/Amendment Form online irrespective of how you lodged your original Offer Form.

If you are a sponsored CHES Holder, we encourage you to submit your Withdrawal/Amendment Form online by no later than 5.00pm (Sydney time) on Thursday, 23 May 2019. The Woolworths Group Share Registry will need to confirm with your controlling CHES participant any online submission of a Withdrawal/Amendment Form before it can be taken as validly submitted and there may not be sufficient time to do so for any online Withdrawal/Amendment Forms submitted by CHES Holders after 5.00pm (Sydney time) on Thursday, 23 May 2019.

6.3.2 Withdrawal/amendment through your controlling CHES participant

If you are a sponsored CHES Holder, you can instruct your controlling CHES participant but must do so in sufficient time for them to process your instructions no later than 7.00pm (Sydney time) on Friday, 24 May 2019.

You will receive written confirmation from CHES of the offers made, withdrawn or amended in respect of your CHES Holding by your controlling CHES participant. You should be aware, that irrespective of its wording, this confirmation is not an acceptance of any offer, amendment or withdrawal by Woolworths Group.

6.4 How will I be paid for Shares bought back?

Woolworths Group will pay an amount equal to the number of Shares which Woolworths Group has accepted to buy back from you multiplied by the Buy-Back Price, unless it is prohibited by law or the terms of the Buy-Back as set out in this Booklet.

Payments will commence from Thursday, 30 May 2019.

The payment method will be direct credit to the bank account recorded on your shareholding. You can update your instructions on the Offer Form, or online at linkmarketservices.com.au/woolworths or by calling the Woolworths Group Share Registry information line on 1300 368 664 within Australia or +61 1300 368 664 from outside Australia (Monday to Friday 8.00am-7.00pm, Sydney time). You cannot use a United States bank account for payments in respect of the Buy-Back.

Payments to shareholders with nominated banking instructions for New Zealand financial institutions will be paid in New Zealand dollars converted at a rate

determined by Woolworths Group on or around the Buy-Back Date.

Payment advices will be sent commencing Thursday, 30 May 2019.

6.5 Shares held by trustees and nominees

Trustees and nominees who hold Shares should inform the beneficial owners of the Shares about the Buy-Back (other than to beneficial owners who are in the United States, US Persons or are otherwise resident in jurisdictions in which it is unlawful to do so) and then aggregate all offers received from those beneficial owners. It is the responsibility of the trustee or nominee to complete one aggregate Offer Form on behalf of all beneficial owners.

Trustees or nominees who hold Shares on behalf of or for the account of a person who is located in the United States, a US Person or a resident of Canada must not inform such person of the Buy-Back and must not distribute or the Buy-Back Documents into the United States or Canada, or otherwise make them available to any person located in the United States, any US Person or any resident of Canada. It is the responsibility of the trustee or nominee to ensure that, when completing an aggregated Offer Form, it does not include any offers to sell Shares on behalf of such persons.

Further, any scale back that applies to Shares offered by trustees or nominees will be applied on a registered shareholder basis.

The trustee of the Woolworths Executive Management Share Plan is not eligible to participate in the Buy-Back.

6.6 Joint shareholders

If you hold your Shares jointly with another person (for example, your spouse), you must complete and return the Offer Form in accordance with the instructions for joint holdings on the Offer Form.

Please note that you will have access to an online Offer Form or you will receive a personalised paper Offer Form, on request, for each separate registered holding of Shares you have (for example, if you hold some Shares in your name and some Shares jointly with another person, you will receive two Offer Forms). You may offer Shares for sale through the Buy-Back from any or all of your registered holdings provided that you complete and follow the instructions on each Offer Form for each holding. Any scale back that applies to Shares offered from more than one of your registered holdings will be applied to each of those holdings as if they were held by different persons.

6.7 Margin lending and other arrangements

If you hold your Shares under margin lending arrangements or if they are held as security for a loan or as ASX Clear Pty Limited collateral, you should ensure that your participation in the Buy-Back is permitted by those margin lending arrangements, the relevant loan and security documentation, or by ASX Clear Pty Limited, as relevant.

6.8 Rights under this Buy-Back invitation cannot be transferred

This invitation to participate in the Buy-Back is personal to you. You cannot transfer your entitlement to offer Shares for sale through this Buy-Back to any other person.

Section 7

Definitions and interpretation

7.1 Definitions

| Term | Meaning |
|------------------------------|--|
| ADR | An American Depositary Receipt which currently represents 10 Shares |
| ASIC | Australian Securities and Investments Commission |
| ASX | ASX Limited ABN 98 008 624 691, or the market it operates, as the context requires |
| ASX Operating Rules | The operating rules of ASX for the purposes of the Corporations Act |
| ATO | Australian Taxation Office |
| Board or Directors | The Board of Directors of Woolworths Group |
| Booklet | This buy-back booklet (whether in paper or electronic format) dated 1 April 2019 |
| Buy-Back | The buy back of Shares by way of a tender process as set out in the Buy-Back Documents |
| Buy-Back Contract | The contract formed on the Buy-Back Date between you and Woolworths Group if Woolworths Group accepts your offer to sell Shares to Woolworths Group |
| Buy-Back Date | The date Woolworths Group announces to ASX the Buy-Back Price, the total number of Shares to be bought back and the details of any scale back |
| Buy-Back Discount | The discount within the range of 10% to 14% (inclusive) at 1% intervals to the Market Price ¹ at which Eligible Shareholders may offer to sell Shares to Woolworths Group |
| Buy-Back Documents | This Booklet, the Offer Form and the Withdrawal/Amendment Form |
| Buy-Back Ex-entitlement Date | Friday, 5 April 2019, being the date that Shares commence trading on ASX on an ex-Buy-Back basis. Shares acquired on-market on or after this date will not have an entitlement to participate in the Buy-Back |
| Buy-Back Price | The price at which Woolworths Group will buy back Shares from offers it accepts in the Buy-Back, rounded to the nearest cent (and, for the avoidance of doubt, rounded up in the case of half a cent). This price is determined by multiplying the Market Price by (1 – Final Buy-Back Discount) |
| Buy-Back Record Date | 7.00pm (Sydney time) Monday, 8 April 2019 |
| Capital Component | The capital component of the Buy-Back Price (the amount per Share bought back which will be debited to Woolworths Group's share capital account) |
| CGT | Capital gains tax |

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1. The maximum Buy-Back Discount is 14% as this is the maximum allowed by the ATO.



| Term | Meaning |
|-------------------------|---|
| CGT Value | <p>The value of the Shares determined in accordance with the following formula:</p> $A \quad \times \quad \frac{B}{C}$ <p>where:</p> <p>A = VWAP of Shares traded on ASX over the last five trading days before the announcement of the Buy-Back (i.e. Monday, 1 April 2019);</p> <p>B = closing level of the S&P/ASX 200 Index on the Closing Date (expected to be Friday, 24 May 2019); and</p> <p>C = opening level of S&P/ASX 200 Index on Monday, 1 April 2019.</p> <p>If the movement in the S&P/ASX 200 Index is significantly different from the movement in the Share price on ASX over the relevant period (applying a VWAP methodology), Woolworths Group may approach the ATO to seek to vary the methodology used to determine the CGT Value</p> |
| CHESS | The Clearing House Electronic Subregister System |
| CHESS Holder | A holder of Shares on the CHESS subregister of Woolworths Group |
| CHESS Holding | A holding of Shares on the CHESS subregister of Woolworths Group |
| Class Ruling | The class ruling to be issued by, and which will be binding upon, the ATO that Woolworths Group has applied for on behalf of shareholders who participate in the Buy-Back |
| Closing Date | 7.00pm (Sydney time) on Friday, 24 May 2019, unless Woolworths Group announces a later date (in which case it is that later date) |
| Corporations Act | The Corporations Act 2001 (Cth) as modified by the relief described in Section 5.5.1 "ASIC relief" |
| Dividend Component | The dividend component of the Buy-Back Price (being the Buy-Back Price less the Capital Component) |
| DRP | Woolworths Group's Dividend Reinvestment Plan |
| Eligible Shareholder | Has the meaning given to that expression in Section 1 "Key features of the Buy-Back" |
| Excluded Foreign Person | <p>Any:</p> <ul style="list-style-type: none"> ▪ shareholder to whom Woolworths Group would be prohibited from paying money pursuant to any act, rule or regulation prohibiting Woolworths Group making payments to foreign persons; ▪ shareholder who has a registered address in a jurisdiction other than Australia and New Zealand; or ▪ person who resides, or who is acting on behalf or for the account of a person who resides, in a jurisdiction other than Australia or New Zealand where it would be illegal under the laws of that jurisdiction to make an invitation to that person to participate in the Buy-Back or whose participation in the Buy-Back is not permitted under the laws of that jurisdiction (or which has laws that Woolworths Group determines would be impractical for it to comply with in order to permit such person to receive an invitation to participate in the Buy-Back). <p>For the avoidance of doubt, Excluded Foreign Person includes any person who is (or who is acting on behalf of or for the account of a person who is) located in the United States, a US Person, or a resident of Canada</p> |
| Final Buy-Back Discount | The discount to the Market Price ¹ selected by Woolworths Group, within the range of 10% to 14% (inclusive) at 1% intervals, which enables Woolworths Group to buy back the number of Shares that it determines to buy back |
| Final Price Offer | An offer by an Eligible Shareholder to sell some or all of their Shares to Woolworths Group at the Buy-Back Price, which is an election to sell your Shares at the price determined by Woolworths Group following completion of the tender process described in this Booklet |
| Free cash flow | Cash flow generated by the Woolworths Group after equity related financing activities including dividends |
| Ineligible Shareholder | An Excluded Foreign Person or any person who only holds ADRs or Restricted Employee Shares |

1. The maximum Buy-Back Discount is 14% as this is the maximum allowed by the ATO.

| Term | Meaning |
|---------------------------------|---|
| Interim Dividend | Woolworths Group's interim dividend for F19 expected to be paid on Friday, 5 April 2019 |
| Issuer Sponsored Holder | A holder of Shares on the issuer sponsored subregister of Woolworths Group |
| Issuer Sponsored Holding | A holding of Shares on the issuer sponsored subregister of Woolworths Group |
| Listing Rules | The official Listing Rules of ASX, as amended and waived by the relief described in Section 5.5.2 "ASX relief" |
| Market Price | The VWAP of Shares on ASX over the five trading days up to and including the Closing Date calculated to four decimal places, as determined by Woolworths Group |
| Minimum Price | One of the specified minimum prices on the Offer Form, which a shareholder may nominate in order for the offer of their Shares for sale to be conditional upon the Buy-Back Price being equal to or greater than that amount |
| Offer Form | The form which can be used by an Eligible Shareholder to offer to sell nominated Shares to Woolworths Group (both online and personalised paper versions) and includes an Offer Form amended in accordance with the procedures set out in the Buy-Back Documents |
| Offer Period | The period within which shareholders may lodge, withdraw or amend an Offer Form in accordance with the Buy-Back Documents |
| Priority Allocation | 180 Shares, meaning that the scale back will not apply to the first 180 Shares (or lesser number) offered by each successful Eligible Shareholder into the Buy-Back at or above the Final Buy-Back Discount or as a Final Price Offer |
| Restricted Employee Shares | Shares held pursuant to the Woolworths Group Limited Non-Executive Director Equity Plan and Woolworths Group Limited Share Purchase Plan where, as at the Record Date, the shareholder would not be entitled to sell those Shares into the Buy-Back or Shares held pursuant to the Woolworths Executive Management Share Plan |
| Return on Funds Employed (ROFE) | ROFE is calculated as EBIT before significant items for the previous 12 months as a percentage of average (opening, mid and closing) funds employed |
| Share | A fully paid ordinary share in the capital of Woolworths Group |
| United States | The United States of America, its territories and possessions, any State of the United States and the District of Columbia |
| US Person | Has the meaning given by Regulation S under the United States Securities Act of 1933, as amended |
| Voice of Customer | Externally facilitated survey of a sample of Woolworths Group customers where customers rate Woolworths Group businesses on a number of criteria. Expressed as the percentage of customers providing a rating of six or seven on a seven point scale |
| Voice of Team | Survey measuring sustainable engagement of our team members as well as their advocacy of Woolworths Group as a place to work and shop. The survey consists of nine sustainable engagement questions, three key driver questions and two advocacy questions |
| VWAP | The volume weighted average price of a Share over a period including all trades on ASX's trading platform including the closing single price auction, but excluding all off-market trades including but not limited to transactions defined in the ASX Operating Rules as special crossings, crossings prior to the commencement of the open session state, crossings during overnight trading, overseas trades, trades pursuant to the exercise of options over Shares, and any other trades that Woolworths Group determines to exclude on the basis that the trades are not fairly reflective of supply and demand |
| Withdrawal/Amendment Form | The form entitled 'Withdrawal/Amendment Form', available online, that is used to withdraw or amend an Offer Form that has been submitted |
| Woolworths Group | Woolworths Group Limited ABN 88 000 014 675 |
| Woolworths Group Share Registry | The share registry of Woolworths Group maintained by Link Market Services Limited ABN 54 083 214 537 |
| You | A holder of Shares in Woolworths Group |

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7.2 Interpretation

In the Buy-Back Documents, unless the context otherwise requires:

- words and phrases have the same meaning (if any) given to them in the Corporations Act;
- words importing the singular include the plural and vice versa;
- an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- a reference to a section, attachment and schedule is a reference to a section of and an attachment and schedule to this Booklet as relevant;
- a reference to any statute, regulation, proclamation, ordinance or law includes all statutes, regulations, proclamations, ordinances, or laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and laws issued under that statute;
- headings and bold type are for convenience only and do not affect the interpretation of this Booklet;
- any reference to time is to Sydney, New South Wales, Australia time;
- a reference to writing includes facsimile transmissions;
- a reference to dollars, \$, A\$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia; and
- the word including or any other form of that word is not a word of limitation.

Contacts

If you have any queries on how the Buy-Back operates or how to participate, please see the Woolworths Group Buy-Back website at woolworthsgroup.com.au/buyback or contact the Woolworths Group Share Registry information line on 1300 368 664 within Australia or +61 1300 368 664 from outside Australia (Monday to Friday 8.00am-7.00pm, Sydney time).

Woolworths Group Share Registry

(Address for Buy-Back)
Link Market Services Limited
PO BOX 1511
Sydney South NSW 1234

Advisors

Financial advisor

Citigroup Global Markets Australia Pty Limited
Level 23, Citigroup Centre
2 Park Street
Sydney NSW 2000

Legal advisors

Ashurst
Level 11, 5 Martin Place
Sydney NSW 2000

Russell McVeagh
Level 30, Vero Centre
48 Shortland Street
Auckland 1140
New Zealand

Tax advisor

Greenwoods & Herbert Smith Freehills Pty Limited
ANZ Tower
161 Castlereagh Street
Sydney NSW 2000



WOOLWORTHS GROUP

