

WOOLWORTHS GROUP



20 April 2021

ASX Market Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Woolworths Group deepens partnership with Quantum

Please see attached an announcement regarding the transaction.

Authorised by: Kate Eastoe, Group Company Secretary



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Woolworths Group deepens partnership with Quantum

- Woolworths Group to increase its shareholding in Quantum from 47% to 75%, with Quantum founders and team members retaining 25%
- Purchase price of \$223 million
- Quantum to become a key part of Woolworths Group, while retaining its senior leadership team and continuing to operate in sectors outside of retail
- A new business unit - Q-Retail - will be established, bringing together the best of advanced analytics and retail capabilities across Quantum and Woolworths Group
- Q-Retail will focus on delivering Woolworths Group's Advanced Analytics Plan and commercialising retail products globally

Woolworths Group today announces that it is strengthening its partnership with Quantum and increasing its shareholding from 47% to 75% for a purchase price of \$223 million.

Quantum is a world-class data science and advanced analytics business. Woolworths Group originally acquired 50% of Quantum in 2013 for approximately \$20 million, entering into a long-term partnership that has enabled Woolworths Group and its supplier partners to make customer-first decisions across pricing, ranging and promotions.

During this time, Quantum has experienced exponential growth both in Australia and internationally.

Woolworths Group Chairman, Gordon Cairns said: "We have long admired the Quantum business. We have enjoyed a successful partnership with them over the last eight years by jointly developing products and services that provide critical insights to both Woolworths Group and our suppliers, helping us put our customers first in our decision making."

Woolworths Group CEO, Brad Banducci, added: "Advanced analytics is key to improving the experiences, ranges and services we provide to our customers and the support we provide to our teams and suppliers. The way we gather data, interpret it, and protect it, is becoming ever more important.

"Through this transaction, we aspire to bring together Quantum's advanced analytics capability and Woolworths Group's retail capabilities to unlock value across our entire retail ecosystem. By working better together, we aim to transform the rapidly evolving retail sector, helping us better service our customers and support our team and supplier partners."

Following completion of the transaction, Quantum will form part of Woolworths Group, and a new business unit called Q-Retail will be established. Q-Retail will bring together Quantum

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and Woolworths Group's collective data science and advanced analytics capabilities with a focus on delivering against Woolworths Group's advanced analytics aspirations.

Q-Retail will be led by Amitabh Mall as Managing Director. Amitabh will also serve as Woolworths Group's Chief Analytics Officer. Amitabh joins the Group after 20 years at the Boston Consulting Group where he most recently led their Consumer and Retail practice in Asia-Pacific.

Quantium will continue to be run by the existing management team led by co-founder and CEO Adam Driussi and will continue to maintain its strong confidentiality agreements with clients in its FMCG, Banking, Insurance, Consumer Services, Property, Health and Government verticals. Independent non-executive director Peter Tonagh will continue on the Quantium Board, whilst Woolworths Group CEO, Brad Banducci, will assume the role of Chairman.

Quantium CEO, Adam Driussi, said: "We're delighted to deepen our existing partnership with Woolworths Group. This partnership enables Quantium to further build out our retail capabilities while accelerating our vision to be the world's most respected and impactful data science and AI partner."

The transaction is expected to complete prior to the end of F21.

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