

Dear shareholder

I wanted to take this opportunity to comment on the impact of COVID-19 on our communities during this unprecedented time.

Firstly, I want to acknowledge our team for their incredible effort in working tirelessly to support customers and local communities. Customer and team safety is our number one priority and we are taking every precaution to continue to provide essential services to our communities. We also understand the key role we have to play in keeping Australians employed. New roles have been created to allow us to scale up operations to support the changing needs of the community as the health crisis continues to unfold. I would like to thank our customers, government agencies, suppliers and shareholders for their ongoing patience and support during these challenging times.

The restructure and merger of the drinks and hotels businesses was completed in February. However, given the recent temporary closure of Hotels and current financial market conditions, the Board has made the decision to defer the separation of Endeavour Group until calendar 2021, with the specific date subject to ongoing review.

At last year's AGM, I spoke about the importance of Woolworths Group's strong

culture, which drives our actions today and guided our response to the salaried team member payment shortfalls. We are progressing repayments to affected team members and I want to assure you that we remain committed to completing the review and rectifying the matter as soon as possible for our team.

Finally, while it feels like a long-time ago, our first half financial performance was pleasing with normalised NPAT from continuing operations¹ up 15.7%. The Board's continued confidence in the outlook for the Group is reflected in an interim dividend of 46 cps, up 2.2% (9.5% excluding the non-comparable Petrol earnings in the prior year). The Group's balance sheet remains strong with access to liquidity and funding.

During such unprecedented times, we will continue to be guided by our purpose and values. In particular, by delivering value to our customers, developing our team, partnering with our suppliers and supporting the communities where we operate in order to guarantee long term value for our shareholders.

Gordon Cairns
CHAIRMAN



H2O Group highlights

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| Sales from continuing operations \$32,410M ▲ 6.0% from H19 | Group online sales \$1,650M ▲ 31.6% from H19 | EBIT from continuing operations ¹ \$1,893M ▲ 11.4% ² from H19 | NPAT from continuing operations ¹ \$979M ▲ 15.7% ² from H19 | Australian Food EBIT \$1,177M ▲ 8.0% ² from H19 |
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¹ Before significant items.

² Normalised results and growth reflect adjustments to H19 if AASB 16 had been in place in F19.

Electronic information

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Important dates

9 APRIL 2020

Payment date for interim dividend

30 APRIL 2020

Q3'20 Sales announcement

27 AUGUST 2020

F20 Full Year Earnings announcement