



31 October 2024

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir or Madam

Update on Coles Supply Chain Modernisation

Please find attached for release to the market.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Daniella Pereira".

Daniella Pereira
Group Company Secretary



ASX Release

31 October 2024

UPDATE ON COLES SUPPLY CHAIN MODERNISATION

Coles Group Limited (ASX:COL) today announced it is investing \$880 million to develop a new ambient Automated Distribution Centre (ADC) in Truganina, Victoria in partnership with WITRON Australia Pty Ltd (WITRON). WITRON continues to be the world leader in supermarket supply chain automation with 98 projects across 13 countries.

This further investment in technology and automation is part of Coles' strategy aimed at delivering a more efficient, safer and sustainable supply chain network. It follows the successful completion of Coles' first two ADCs over the last 18 months in partnership with WITRON. The project is expected to commence in FY25 and take up to five years to complete.

The Victorian facility will have approximately 15% more capacity than Coles' New South Wales and Queensland ADCs with the ability to process 4.6 million cartons per week. The Victorian ADC is expected to service all stores in Victoria and Tasmania and will also integrate into Coles' existing supply chain in South Australia and Western Australia, enabling improved availability for our customers in those states. Together with the New South Wales and Queensland ADCs, this project will deliver full automation of Coles' ambient distribution centre network across the eastern seaboard of Australia.

Coles has entered into an agreement for lease for the development of the Victorian facility.

Coles expects to recognise a provision of around \$35 million before tax in 1H25 relating to future closure and site reconfiguration costs associated with the project.

Coles Managing Director and CEO Leah Weckert said, "This is another important step in Coles' business transformation as we continue to invest in technology to enhance product availability for our customers and improve efficiency across our supply chain. This new automated distribution centre in Victoria will complement our existing sites in Queensland and New South Wales, enabling us to drive productivity and further capitalise on the advantages of world-leading automation technology."

This announcement was authorised to be given to the ASX by the Board.

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