F26 Full-Year Profit and Dividend Announcement

For the 52 weeks ended 28 June 2026

For personal use only

Retail sales momentum building, Hotels delivered solid performance

F26 Full-Year Group Highlights

Group Sales	Group Underlying[1] EBIT	Group Underlying[1] NPAT	Group Statutory NPAT	Underlying Cash realisation[1]	Dividend per share
$12.2b	**$845m**	**$363m**	**$52m**	**93%**	**12.0c**
↑1.3% vs F25	↓8.7% vs F25	↓14.8% vs F25	↓87.8% vs F25	↓17 ppts vs F25	↓36.2% vs F25

- **Retail sales momentum building as customers respond positively to value and price leadership**
- **Combined sales growth for Dan Murphy's and BWS increased from 0.7% in H1 to 1.4% in H2**
- **Dan Murphy's and BWS comparable store sales growth of 0.5%**
- **Hotels delivered 4.2% sales growth. Following a softer Q3, Hotels sales trends improved in Q4**
- **Hotels renewal program accelerating with 38 venues upgraded and ~2,000 new EGMs[2] installed**
- **Cost out target of $300 million by F29 (including $100 million in F27) reaffirmed. Initiatives delivering 70% of F27 cost out target already executed**
- **Experienced leadership team in place and executing strategic plan**

Endeavour Group Managing Director and CEO, Jayne Hrdlicka, said:

"The F26 full year result reflects a period where the Group started to implement the actions required to execute its strategy and realise the potential of our portfolio of Retail and Hotel assets.

Actions taken in F26 included:

- Introducing lower everyday shelf prices to reinforce price leadership;
- Increasing our Retail promotional competitiveness;
- Restructuring our Group and Retail operating model to simplify the way we do business and drive greater customer orientation and accountability for outcomes;
- Beginning the process of simplifying our Hotels operating model and accelerating investment in Hotel renewals and EGMs to improve business performance;
- Reducing complexity in the business including the planned divestment of non-core assets;
- Resetting the cost base, targeting $300 million of savings to be delivered by F29 (including $100 million in F27); and
- Revising our dividend policy to ensure the Group maintains appropriate funding flexibility to execute its strategy and prioritise growth investment.

[1] Underlying results exclude the impact of Significant Items. Significant Items are transactions which arise outside of core trading activities and have been highlighted to assist investors to understand the underlying performance of the Group. For further details on the Significant Items recognised in F26, refer to Slide 43 of the F26 investor presentation lodged together with this results announcement.
[2] EGMs means electronic gaming machines.

We have made good progress in executing the initial phase of our strategy. Sales momentum in Retail is building with customers responding positively to our renewed focus on value and price leadership. Following the introduction of lower shelf prices in Dan Murphys at the end of Q1 F26, and the decision to lift our promotional competitiveness and value orientation across both Dan Murphy's and BWS, our Retail business is consistently gaining share, delivering 10 consecutive months of sales growth[3]. The Hotels portfolio will go through significant transformation in F27 to simplify the way we operate, deliver targeted investment in renewals and generally improve guest experiences. F27 will be a year of investment for the Group as we continue to execute the key initiatives required to transform all aspects of the business and establish a platform for sustainable future earnings growth."

Trading overview

Group

Group sales increased by 1.3% to $12.2 billion. Group underlying EBIT fell by 8.7% to $845 million, reflecting the lower EBIT contribution from the Group's Retail business and the impact of cost inflation on cost of doing business.

As outlined in our ASX announcement dated 4 August 2026, the Group has incurred a net expense of $372 million (pre-tax) related to Significant Items in the F26 results. Inclusive of Significant Items, Group statutory NPAT was $52 million. Excluding Significant Items, underlying NPAT was $363 million.

During the year, the Group announced the decision to revise its dividend payout policy to between 50% and 75% of underlying net profit after tax. In line with this policy, the Board has declared a fully franked final dividend of 1.2 cents per share. When combined with the interim dividend of 10.8 cents per share, this represents a full year dividend payout ratio of 59%.

The Group delivered underlying operating cash flow of $933 million representing a cash realisation rate of 93%. Net debt increased by $198 million to $1.9 billion at year end primarily due to increased capital expenditure on stores and venue renewals, lower F26 earnings, and higher inventory.

The Group's underlying leverage ratio increased to 1.9x on a pre-AASB 16 basis[4] (3.8x on a post-AASB 16 basis). The Group has material headroom under its banking debt covenants and $990 million of undrawn committed debt facilities.

Retail

F26 Retail sales increased by 0.7% to $10.0 billion. F26 sales for Dan Murphy's and BWS increased by 1.0% to $9.8 billion, with comparable store sales growth of 0.5%. This was partially offset by lower Specialty sales following simplification initiatives in F25, including the integration of Shorty's, the transition of Jimmy Brings to a Milkrun partnership model and the closure of the Prowine bottling facility.

Retail sales momentum steadily improved during the year as customers responded positively to value and price leadership. Combined sales growth for Dan Murphy's and BWS increased from 0.7% in H1 to 1.4% in H2, with sales growth accelerating during the second half, from 0.8% in Q3 to 2.2% in Q4.[5]

Online sales grew by 34.8% to $1.1 billion, reflecting strong digital execution in a competitive online market. These online sales represented 11.6% of combined Dan Murphy's and BWS sales.

Underlying Gross Profit margin declined by 86bps compared to the prior year driven by investment in lower shelf prices and elevated levels of competitive promotional activity market-wide. This result reflects approximately three quarters of lower shelf prices since the price reset at the end of Q1 F26.

Underlying CODB increased by 1.6% (or 2.8% excluding One Endeavour costs). Inflationary headwinds, including award wage inflation of 4%, were partly offset by savings from cost reduction initiatives and lower One Endeavour technology costs.

[3] As at the end of F26.
[4] Underlying Pre-AASB 16 leverage ratio is calculated as Net Debt divided by EBITDA, adjusted to exclude the financial impact of Significant Items. Net Debt excludes lease liabilities and represents the liability as at the balance date. EBITDA is based on a 12 month rolling basis and includes rent expense on a cash paid basis; Underlying post-AASB 16 leverage ratio is 3.8x.
[5] Q3 F26 and Q4 F26 sales growth normalised for the timing impact of Easter.

For personal use only

Underlying EBIT of $464 million (-17.6% vs F25) represented an EBIT margin of 4.6%.

Hotels

F26 Hotel sales increased by 4.2% to $2.2 billion, with comparable sales growing by 4.4%.

Hotels delivered sales growth of 4.4% in H1 and 3.9% in H2. Sales growth in Q3 moderated to 3.7% as growing cost of living pressure, including fuel price increases, impacted consumer spending. Sales growth in Q4 improved to 4.2% (or 3.9% adjusted for the estimated uplift in sales from the FIFA World Cup).

Gross profit margin increased by 7bps compared to the prior year, due to a favourable sales mix with improved gaming performance.

Underlying CODB grew by 4.4% (or 5.8% excluding One Endeavour costs), reflecting inflationary headwinds (including an award wage increase of 4.0%), higher depreciation and amortisation and site costs.

Underlying EBIT of $462 million (+4.1% vs F25) represented an EBIT margin of 21.0%.

Trading update and Outlook

Sales growth for the first seven weeks of F27 was +4.6% for Retail and +2.2% for Hotels (or 2.0% excluding the estimated uplift in Hotels sales in July from one-off events including the FIFA World Cup).

Retail

- Sales momentum in Retail continues to build in early F27 with transaction growth underpinning positive comparable store sales
- At the end of Q1, Retail will begin cycling higher sales in the prior year following the introduction of lower shelf prices and increased promotional activity
- Competitive promotional activity remains elevated, particularly in the online channel
- Targeting to add 8 (net) Dan Murphy's stores and close 2 (net) BWS stores in F27

Hotels

- Sales growth has softened in H1 F27 YTD across all key drivers (F&B, gaming and accommodation)
- Gaming revenue has moderated in line with market trends
- Targeting to complete up to 75 renewals and install ~1,900 new EGMs in F27
- Disruption to trading from increased renewal activity is expected to adversely impact Hotel earnings in F27

Other

In F27 the Group expects:

- Capital expenditure of between $550 million and $650 million including:
    - One Endeavour capex of $75 million to $90 million
    - Up to $60 million increase in capital investment across a number of transformation initiatives including digital, data & eCommerce, Retail media and Hotels network
    - A $25 million to $50 million step up in Hotels stay in business capex as part of a 3-year structural remediation program of up to $120 million
- Group CODB is expected to be higher than F26, reflecting the following:
    - $100 million of cost reduction initiatives
    - Inflationary impacts on the Group's cost base including a 4.75% increase in award wages
    - Additional opex investment of between $40 million and $60 million to support transformation initiatives
    - One Endeavour opex of $50 million to $55 million (100% allocated to Retail)
    - Corporate costs of $75 million to $85 million
    - Hotels D&A will increase by approximately $20 million, due to increased investment in renewals and EGMs
- Finance costs, inclusive of lease and debt interest expense, are expected to be between $330 million and

For personal use only

$340 million, based on interest rates current at the date of this announcement

While the Group enjoyed a strong start to the year in Retail, the outlook for consumer spending remains uncertain given ongoing cost of living pressure, including the impact of the continuing Middle East conflict on fuel prices, the wealth effect of a declining housing market and the potential for higher interest rates.

A summary of forward looking statements and financial inputs is provided on page 44 of the accompanying investor presentation lodged today on ASX.

Investor Conference Call

Endeavour Group Managing Director and CEO, Jayne Hrdlicka, and Chief Financial Officer, Kate Beattie, will host an analyst and investor conference call today at 10:30am (AEST). Analysts, investors and media can access the management briefing via the following.

Webcast URL: https://s1.c-conf.com/diamondpass/10055594-hr1xgs.html

Teleconference registration: https://webcast.openbriefing.com/edv-fyr-2026/

Participants will need to pre-register for the call at the link above. You will receive a calendar invite and a unique code which is to be quoted when dialling into the call.

The release of this announcement has been authorised by the Board.

Further Information

Investors
Robert Wruck
Mobile: (61) 474 481 963
robert.wruck@edg.com.au

Media
Lizzy Bold
Mobile: (61) 421 765 446
lizzy.bold@edg.com.au

For personal use only

endeavour group

Group Performance

$ million	F26 (52 WEEKS)	F25 (52 WEEKS)	CHANGE
Retail Sales	10,016	9,950	0.7%
Hotels Sales	2,196	2,108	4.2%
Group Sales	**12,212**	**12,058**	**1.3%**
Retail Underlying EBIT	464	563	(17.6%)
Hotels Underlying EBIT	462	444	4.1%
Other Underlying EBIT	(81)	(81)	0.0%
Group Underlying EBIT	**845**	**926**	**(8.7%)**
Finance costs - Leases	(190)	(191)	(0.5%)
Finance costs - Non-leases	(111)	(109)	1.8%
Underlying profit before income tax	**544**	**626**	**(13.1%)**
Underlying income tax expense	(181)	(201)	(10.0%)
Underlying NPAT	**363**	**426**[6]	(14.8%)
Significant Items after tax	(311)	-	n.m.
Statutory NPAT	**52**	**426**	**(87.8%)**

- **F26 Sales** of $12.2 billion, +1.3% vs F25. **Underlying EBIT** of $845 million was -8.7% vs F25.
- **One Endeavour program opex** was $40 million in F26 (F25: $80 million). Opex spend in F27 is expected to be between $50 million and $55 million.
- **One Endeavour program capex** was $30 million in F26 (F25: $30 million). Capex spend in F27 is expected to be between $75 million and $90 million.
- **Finance costs,** comprising debt and lease interest expense, of $301 million, were in-line with the prior year.
- **Underlying NPAT** of $363 million, 14.8% lower than F25. The underlying effective tax rate was 33.3%.
- **Significant Items** of $372 million (pre-tax) comprising $40 million relating to the provision for the Melbourne Liquor Distribution Centre[7], $58 million relating to restructuring and strategic review costs, $80 million write-downs of non-current assets and $194 million relating to portfolio rationalisation and asset impairments.
- **Underlying cash realisation** of 93%, within guided range of 90%-110% but lower than F25 primarily driven by the cash flow impact of changes in trade working capital and timing of other liability payments.
- **Total capital expenditure** of $448 million was $54 million higher than F25, driven by retail network expansion and accelerated investment in hotel renewals.
- **Net debt** grew by $198 million vs F25, representing an underlying leverage ratio of 1.9x on a pre-AASB 16 basis or 3.8x on a post-AASB 16 basis.
- **Underlying Return on Funds Employed (ROFE)** of 9.5% compared to 10.3% for F25, with the decline primarily driven by lower earnings.
- The Board has determined to pay a fully franked **final dividend** of 1.2 cents per ordinary share, equating to an underlying **full year dividend payout ratio** of 59%. Endeavour shares will trade ex-dividend from 1 September 2026, the record date is 2 September 2026 and the dividend is expected to be paid to shareholders on 1 October 2026. The Board has determined that a Dividend Reinvestment Plan will not be activated for the F26 final dividend.

[6] NPAT attributable to equity holders of the parent entity, excluding non-controlling interests of $0m in F26 and ($1m) in F25.
[7] The Group has recognised a pre-tax provision of $40 million related to cessation of the supply chain services contract with Woolworths Group for warehouse operations at the MLDC in September 2028. This provision reflects the estimated amount which the Group is contractually required to reimburse to Woolworths for stranded workforce costs, following Woolworths decision to close the MLDC in September 2028.

For personal use only

Segment Performance - Retail

VOC NPS	Dan Murphy's & BWS sales	Number of renewals	Number of stores	Underlying ROFE
DM 82(+1) **BWS 80** (+4) vs F25	**↑1.0% vs F25** Comp: ↑0.5% vs F25	**82** vs 59 in F25	**1,739** ↑13 vs F25	**10.2% (↓210bps)**

$ million	F26 (52 WEEKS)	F25 (52 WEEKS)	CHANGE
Sales	**10,016**	**9,950**	**0.7%**
Underlying EBITDA	**791**	**885**	**(10.6%)**
Depreciation and amortisation	(327)	(322)	1.6%
Underlying EBIT	**464**	**563**	**(17.6%)**
Underlying gross profit margin (%)	23.6%	24.5%	-86bps
Underlying cost of doing business (%)	19.0%	18.8%	+17bps
Underlying EBIT to sales (%)	4.6%	5.7%	-103bps

- **Retail sales** increased by 0.7% to $10.0 billion.
- Retail sales momentum improved during the year as customers responded positively to lower shelf prices and promotional competitiveness. **Combined sales growth for Dan Murphy's and BWS** increased from 0.7% in H1 to 1.4% in H2. Normalised for the timing of Easter, sales growth accelerated during the second half, with Q4 sales growth of 2.2% compared to 0.8% in Q3[8].
- **Specialty sales** decreased by 14.6% to $199 million. This reflects the impact of the closure of the Prowine bottling facility, integration of Shorty's operations into Dan Murphy's, and the transition of Jimmy Brings to a partnership model with Milkrun in F25.
- **Online sales** grew by 34.8% to $1.1 billion reflecting strong digital execution in a competitive online market. Approximately 61% of online orders in Dan Murphy's and BWS were picked up in-store. Online sales represented 11.6% of combined Dan Murphy's and BWS sales.
- **Underlying Gross profit margin** declined by 86 bps driven by investment in lower shelf prices and elevated levels of promotional activity market-wide.
- **Underlying CODB** increased by 1.6% vs F25 (or 2.8% excluding One Endeavour costs). Inflationary headwinds, including award wage inflation of 4%[9], were partly offset by savings from cost reduction initiatives and lower One Endeavour technology costs.
- **Underlying EBIT** of $464 million was 17.6% lower than F25 reflecting higher cost inflation and gross margin compression as a result of the Group's decision to reinforce its price leadership to drive sales growth. Underlying EBIT margin of 4.6% was 103bps lower than F25 primarily due to lower gross margin.
- **Total network of 1,739 stores**, with 6 new Dan Murphy's stores (net) and 7 new BWS stores (net), 17 Dan Murphy's renewals, along with 65 BWS renewals and 21 smaller-scale BWS upgrades.
- **MyDan's** has 5.6 million active members, with an 84% member scan rate.
- Dan Murphy's strengthened its market-leading **Voice of Customer** score to 82 (+1 vs F25), including a highest ever "Value for money" score of 86. BWS achieved a record **Voice of Customer** score of 80 (+4 vs F25).

[8] Normalised Q3 and Q4 F26 growth figures are adjusted for the timing of the Easter holiday, which fell within Q3 in F26 compared to Q4 in F25.
[9] Award wage increase of 4% includes 0.5% superannuation guarantee increase.

For personal use only

- **BWS App** Monthly Active Users averaged ~730k (+15% vs F25).
- As part of the strategy to optimise its asset base, the Group made the decision to exit the majority of its existing winery and vineyard portfolio, including Chapel Hill, Oakridge and Josef Chromy.

Retail Operating Metrics by Quarter

	F26 (52 WEEKS)	Q4 F26 (12 WEEKS)	Q3 F26 (13 WEEKS)	Q2 F26 (13 WEEKS)	Q1 F26 (14 WEEKS)
Customer Metrics					
BWS VOC NPS (Store and Online)	80	80	80	81	79
Dan Murphy's VOC NPS (Store and Online)	82	83	82	81	82
My Dan's active members (million)	5.6	5.6	5.6	5.5	5.5
Sales Metrics					
BWS and Dan Murphy's ($ million)	9,817	2,061	2,352	2,962	2,442
Specialty ($ million)	199	44	46	52	57
Total Retail sales ($ million)	**10,016**	**2,106**	**2,398**	**3,014**	**2,499**
Total Retail sales growth (52-week)	0.7%	(0.6%)[10]	2.9%[10]	1.7%	(1.6%)
Easter-timing normalised combined BWS and Dan Murphy's sales growth	1.0%	2.2%	0.8%	2.2%	(1.0%)
Combined BWS and Dan Murphy's sales growth	1.0%	(0.5%)[10]	3.2%[10]	2.2%	(1.0%)
Combined BWS and Dan Murphy's comparable store sales growth / (decline) (52-week)	0.5%	(1.2%)[10]	2.5%[10]	1.6%	(1.3%)

	F26 (52 WEEKS)	Q4 F26 (12 WEEKS)	Q3 F26 (13 WEEKS)	Q2 F26 (13 WEEKS)	Q1 F26 (14 WEEKS)
eCommerce Customer Metrics					
Dan Murphy's Online VOC NPS	77	79	78	73	77
BWS Online VOC NPS	79	80	80	80	77
eCommerce Sales Metrics					
Combined BWS and Dan Murphy's online sales ($ million)	1,136	259	269	359	249
Combined BWS and Dan Murphy's online sales growth (52-week)	34.8%	28.9%	40.1%	47.1%	20.9%
Combined BWS and Dan Murphy's online penetration	11.6%	12.6%	11.4%	12.1%	10.2%
BWS and Dan Murphy's Pick-up mix (orders)	61.6%	61.2%	61.0%	63.2%	61.5%

[10] Reported Q3 and Q4 F26 growth is impacted by the timing of Easter, which fell in Q3 in F26 compared to Q4 in F25.

For personal use only

Segment Performance - Hotels

Voice of Customer	Number of hotels (incl clubs)	Number of renewals	Underlying ROFE
9.1/10	**351**	**38**	**10.6% (↑49bps)**
↑0.2 vs F25	↓3 vs F25	vs 27 in F25	

$ million	F26 (52 WEEKS)	F25 (52 WEEKS)	CHANGE
Sales	**2,196**	**2,108**	**4.2%**
Underlying EBITDA	**776**	**737**	**5.3%**
Depreciation and amortisation	(314)	(293)	7.2%
Underlying EBIT	**462**	**444**	**4.1%**
Underlying gross profit margin (%)	84.9%	84.8%	+7bps
Underlying cost of doing business (%)	63.9%	63.8%	+10bps
Underlying EBIT to sales (%)	21.0%	21.1%	-2bps

- **Hotels sales** of $2.2 billion were +4.2% vs F25, with **comparable sales** growing by 4.4%. Hotels delivered sales growth of 4.4% in H1 and 3.9% in H2. Sales growth moderated in Q3 to 3.7% as consumers responded to higher cost of living pressure including fuel price increases, before improving to 4.2% in Q4 where sales benefitted from the FIFA World Cup.
- **Food and Bar** sales grew by 2.6% and 5.0% respectively. This growth was driven by renewal activity, optimised ranging and menus and record trading around key events during Christmas, ANZAC day and Easter.
- **Gaming** revenue grew by 4.4% and benefitted from accelerated investment in new EGMs in F26, with ~2,000 new machines installed (H2: 1,200).
- **Accommodation** revenue grew by 9.3%, driven by new and renewed rooms, higher occupancy and increased average daily rates.
- **GP margin expansion** of 7bps was supported by favourable driver mix with improved gaming performance.
- **Depreciation and amortisation** increased by $21 million reflecting the installation of approximately 1,200 new EGM's in the second half of F26 as well as increased investment in Hotels renewals.
- **Underlying CODB** grew by 4.4% vs F25 (or 5.8% excluding One Endeavour costs) reflecting inflationary headwinds (including an award wage increase of 4.0%), higher D&A and site costs.
- **Underlying EBIT** increased by 4.1% to $462 million. This represented an Underlying EBIT margin of 21.0% which was broadly in-line with F25.
- **Customer satisfaction improved to 9.1/10** (+0.2), driven by continued focus on value and service.
- **pub+ app membership** reached over 750,00 active users with F&B scan rates ~32%.
- **Renewals investment** continued with a further 17 renewals completed in H2 in addition to 21 in H1.
- The Group now operates a **total of 351 Hotels.** During the year the Group ceased operating three venues due to planned exits of the O'Malley's Irish Pub (Qld), The Rex (Vic), and the Imperial Hotel (Qld) following government compulsory resumption.

For personal use only

endeavour group

Hotels Operating Metrics by Quarter

	F26 (52 WEEKS)	Q4 F26 (12 WEEKS)	Q3 F26 (13 WEEKS)	Q2 F26 (13 WEEKS)	Q1 F26 (14 WEEKS)
Sales metrics					
Total sales ($ million)	2,196	496	531	577	592
Total sales growth	4.2%	4.2%	3.7%	4.5%	4.4%
Comparable hotel sales growth	4.4%	4.9%	4.3%	4.8%	3.6%

Appendix 1: Non-IFRS Financial Information

This profit and dividend announcement for the 52 weeks ended 28 June 2026 (F26) contains certain non-IFRS financial information related to historical performance, position and cash flows. Non-IFRS financial information is financial information that is not defined or specified under any relevant accounting standards. This information may not be directly comparable with other companies' information but is commonly used in the industry in which Endeavour operates.

Non-IFRS information is also included to provide meaningful information on the Operating drivers of the business, performance and trends (for example, comparable sales growth). This information is used by management and directors to assess the financial performance of Endeavour Group and its segments. Non-IFRS information should be considered in addition to and is not intended to substitute IFRS measures.

The presentation of non-IFRS measures is in line with Regulatory Guide 230 issued by the Australian Security and Investments Commission in December 2011 to promote full and clear disclosure for investors and other users of financial information and minimise the possibility of being misled by such information.

Appendix 2: New stores and renewals

F26 Full Year	OPENING BALANCE	GROSS NEW STORES (INCL. ACQUISITIONS)	CLOSURES / DISPOSALS	NET NEW STORES (INCL. ACQUISITIONS)	CLOSING BALANCE	RENEWALS/ REPOSITIONINGS
BWS	1,444	23	16	7	1,451	65
DM	282	8	2	6	288[11]	17
Retail	**1,726**	**31**	**18**	**13**	**1,739**	**82**
Hotels	**354**	**0**	**3**	**-3**	**351**	**38**
Endeavour Group	**2,080**	**31**	**21**	**10**	**2,090**	**120**

[11] Including 4 The Cellar stores

For personal use only

endeavour group

Appendix 3: Group Funds Employed

$ million	F26 28 JUNE 2026	F25 29 JUNE 2025	CHANGE
Trade working capital	626	638	(12)
Lease assets	2,904	3,073	(169)
Property, plant and equipment	2,315	2,289	26
Intangible assets	4,162	4,279	(117)
Other liabilities (net)	(716)	(760)	44
Funds employed[12]	**9,291**	**9,519**	**(228)**
Tax liabilities (net)	107	193	(86)
Other (assets)/liabilities (net)	(19)	(20)	1
Lease liabilities	3,731	3,829	(98)
Net debt	1,883	1,685	198
Equity	3,589	3,832	(243)
Total funding and tax[12]	**9,291**	**9,519**	**(228)**
Underlying ROFE (%)	**9.5**	**10.3**	**-81bps**

Appendix 4: Full-Year Group Cash Flow

$ million	F26 (52 WEEKS)	F25 (52 WEEKS)	CHANGE
EBIT (underlying)	**845**	**926**	**(81)**
Depreciation and amortisation expenses	642	616	26
Changes in trade working capital	(25)	80	(105)
Changes in assets and liabilities and other non-cash items	(27)	47	(74)
Finance costs on borrowings paid	(106)	(116)	10
Payment for the interest component of lease liabilities	(190)	(192)	2
Income tax paid	(206)	(211)	5
Operating cash flows (underlying)	**933**	**1,150**	**(217)**
Proceeds from the sale of property, plant and equipment	10	44	(34)
Payments for property, plant and equipment and intangible assets	(494)	(334)	(160)
Proceeds from sale of business	-	6	(6)
Payments to acquire businesses, net of cash acquired	-	(10)	10
Repayment of lease liabilities	(329)	(300)	(29)
Dividend paid	(290)	(358)	68
Other	(12)	(11)	(1)
Free cash flow (underlying)	**(182)**	**187**	**(369)**
Cash flow impact of significant items	(16)	-	(16)
Free cash flow (statutory)	**(198)**	**187**	**(385)**
Underlying Cash realisation ratio (%)	*93*	*110*	*-17 pp*

[12] Includes Significant Items recognised during the year.

For personal use only

endeavour group

Appendix 5: Glossary

Term	Description
Comparable sales	Retail: Measure of sales which excludes stores that have been opened or closed in the last 12 months and demonstrable impact on existing stores from store disruption from new store openings/closures Hotels: Measure of sales which excludes hotels opened or closed in the last 12 months
Cost of doing business (CODB)	Expenses which relate to the operation of the business
EBITDA	Earnings before interest, tax, depreciation and amortisation
EGM	Electronic Gaming Machine
Gaming	Refers to the operation of Electronic Gaming Machines
My Dan's active members	My Dan's active members are the number of unique members who have transacted in the last twelve months
n.m.	Not meaningful
Combined BWS and Dans Murphy's online penetration	Online penetration is calculated as total combined BWS and Dan Murphy's online sales as a percentage of total combined BWS and Dan Murphy's sales for the same time period
Return on Funds Employed (ROFE)	ROFE is calculated as EBIT for the previous 12 months as a percentage of 13 month average adjusted funds employed, where adjusted funds employed refers to funds employed adjusted to exclude deferred taxes on indefinite life intangible assets.
Significant Items	Significant Items are transactions which arise outside of core trading activities and have been highlighted to assist investors to understand the underlying performance of the Group
Underlying cash realisation ratio	Operating cash flow as a percentage of Group profit after tax but before depreciation and amortisation, adjusted to exclude the financial impact of Significant Items
Underlying EBITDA / EBIT / ROFE / CODB	Underlying EBITDA/EBIT/ROFE/CODB excludes the financial impact of Significant Items
Underlying Pre-AASB 16 leverage ratio	Underlying Pre-AASB 16 leverage ratio is calculated as Net Debt divided by EBITDA, adjusted to exclude the financial impact of Significant Items. Net Debt excludes lease liabilities and represents the liability as at the balance date. EBITDA is based on a 12 month rolling basis and includes rent expense on a cash paid basis
VOC NPS	Voice of Customer Net Promoter Score (VOC NPS) is based on feedback from customers, and represents the number of promoters (score of nine or 10) less the number of detractors (score of six or below). This includes scores from in-store and online customers.

ENDS

For personal use only