

Trading Update

Highlights

- Q3 F26 sales growth of 2.9% for Retail and 3.7% for Hotels (weeks 28-40)
- H2 F26 HTD¹ sales growth of 0.7% for Retail and 3.7% for Hotels (as at week 43)
- Retail continuing to gain market share in a challenging macroeconomic environment
- Sales momentum in Hotels moderated towards the end of Q3 F26 reflecting growing cost of living pressure
- Proactively investing in Retail inventory to minimise the risk of supply disruption from Middle East conflict
- Elevated fuel and freight prices expected to increase H2 F26 supply chain costs by between \$6m and \$8m
- Cost reduction is an important part of the Group's strategy with \$100m in cost savings targeted in F27

Endeavour Group (ASX:EDV) today provides an update on trading for H2 F26 to date, together with details of the impact of the ongoing Middle East conflict and a three-year cost reduction program that will deliver \$100 million of savings in F27. This is part of the Group's strategic focus and details of the broader strategy will be forthcoming at its Investor Day on 27 May 2026.

Trading update

H2 F26 HTD sales (16 week period from 5 January 2026 to 26 April 2026)

\$ million	Q3 F26 (13 WEEKS) <small>WEEKS 28-40</small>	Q3 F25 (13 WEEKS) <small>WEEKS 28-40</small>	Q3 CHANGE (13 WEEKS) <small>WEEKS 28-40</small>	H2 HTD CHANGE (16 WEEKS) <small>WEEKS 28-43</small>
Retail	2,398	2,331	2.9%	0.7%
Hotels	531	512	3.7%	3.7%
Total Group Sales	2,929	2,843	3.0%	1.2%

1. Q3 change compares F26 weeks 28-40 (5/1/2026 to 5/4/2026) with F25 weeks 28-40 (6/1/2025 to 6/4/2025). The reported Q3 F26 growth figures are impacted by the timing of the Easter holiday, which fell within the Q3 period in F26. In the prior year, the Easter holiday fell outside of Q3 in Week 42.
2. H2 F26 HTD change shows a 16-week vs. 16-week comparison where each period includes Easter and Anzac Day.

Retail

H2 F26 Retail sales (as at Week 43) have grown by 0.7% versus pcp.

The Group's Retail business has continued to gain share in a competitive market. The Easter holiday trading period delivered an increase in Retail sales compared to Easter in the previous year, with significant promotional activity observed across the sector. Outside of key events, consumer demand remains subdued.

Endeavour Group CEO Jayne Hrdlicka, said:

"The strength of the Dan Murphy's and BWS brands and our ability to capture demand around celebration occasions were again evident in our Retail trading results over the Easter holiday period. Despite challenging macroeconomic

¹ HTD means half-to-date.

conditions and geopolitical uncertainty impacting consumer sentiment, our Retail business has maintained positive sales growth. Our continued market share gains in Retail underscore our compelling value proposition in both Dan Murphy's and BWS, which continue to resonate with customers."

Hotels

H2 F26 Hotel sales (as at Week 43) have grown by 3.7% versus pcp.

Following a strong start to Q3 trading, sales momentum in Hotels began to soften in March. Sales growth moderated across all drivers – food, bar, gaming, and accommodation. Notwithstanding a record trading result on ANZAC Day, sales growth across March and April (as at Week 43) was 1.5% versus pcp. In response to growing cost of living pressures, Hotels teams have adapted guest offerings to drive footfall and deliver greater value. Key initiatives include the launch of a winter menu anchored around great value items, enhancements to member exclusive loyalty offers and targeted local area promotions including fuel card giveaways.

Endeavour Group CEO Jayne Hrdlicka, said:

"We remain confident in the defensive revenue characteristics of the Hotels business which has a track record of strong cashflow generation supported by through-the-cycle consumer demand. Furthermore, our unique portfolio of Hotel and Retail businesses provides a natural hedge to any shifts in consumer spending between off-premise and on-premise."

Business impacts of Middle East conflict

The Group is actively working to manage the impact of the conflict in the Middle East by taking steps to minimise the risk of supply disruption, mitigate elevated fuel and freight costs and undertake downside case scenario planning to ensure maximum commercial resilience and appropriate inflation management.

Inventory management

In light of the Middle East conflict, to ensure commercial resilience and create a buffer against potential supply chain constraints, the Group is proactively increasing inventory cover for key fast moving products. The Group anticipates reaching a maximum \$400 million of additional inventory compared to prior year. Higher inventory levels will temporarily impact Group leverage due to the increase in working capital, which will be funded through incremental short term debt facilities.

Supply chain costs

Endeavour Group is experiencing pricing pressure throughout its supply chain due to increased fuel costs linked to the Middle East conflict. Endeavour is working with its suppliers to manage these pressures to mitigate structural cost inflation and to minimise the impact on customers.

The Group estimates that it will incur additional fuel and freight related costs in F26 of between \$6 million and \$8 million, which will primarily be reflected in Retail gross margin.

The Group will provide a further update on the impact of the Middle East conflict on its business at its full year results presentation in August 2026.

Group-wide cost reduction initiatives

As part of the Group's strategy and transformation plan, simplifying the business is paramount and this will deliver significant cost reduction benefits across the organisation. The Group is targeting \$100 million of cost savings to be delivered in F27. This comprises savings from initiatives focused on store cost optimisation, labour efficiencies, centralised administration, procurement savings and support office headcount reduction.

Endeavour Group CEO Jayne Hrdlicka said, "In line with our strategic focus on simplifying the Group platform, we have identified a significant opportunity to drive costs out of the business and improve productivity and profitability. We are implementing a more efficient operating model to deliver better returns for our shareholders and look forward to discussing this more fully at our upcoming Investor Day."

Investor Strategy Day

The Group confirms that it will host an Investor Day in Sydney on 27 May 2026.

The release of this announcement was authorised by the Board.

Further Information

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