

2026 HALF-YEAR RESULTS

Debt Investor Update



GROUP PERFORMANCE OVERVIEW



Wesfarmers Way

Wesfarmers' primary objective is to deliver a satisfactory return to shareholders.

We believe it is only possible to achieve this over the long term by:



Anticipating the needs of our customers and delivering competitive goods and services



Looking after our team members and providing a safe, fulfilling work environment



Engaging fairly with our suppliers, and sourcing ethically and sustainably



Supporting the communities in which we operate



Taking care of the environment



Acting with integrity and honesty in all of our dealings

2026 Half-year highlights

Revenue

up 3.1% to

\$24.2b

Operating cash flows

down 3.3% to

\$2.5b

NPAT

up 9.3% to

\$1.6b

Interim fully-franked dividend

up 7.4% to

\$1.02 per share



Results reflect strong operational performance and disciplined execution

- Strong earnings contributions from the largest divisions – Bunnings, Kmart Group, WesCEF
- Productivity initiatives helped navigate ongoing challenging market conditions
- Continued to digitise operations to mitigate cost pressures and keep prices low for customers

Maintained focus on long-term shareholder value creation



Investing to strengthen businesses and advance growth projects



Leveraging investments in new technologies to accelerate existing strategies



Building long-term sustainability and climate resilience

Divisional highlights

Bunnings

Sales	Earnings ¹
\$10.7b	\$1,389m
↑ 4.0%	↑ 5.0%

- Sales growth across all categories, regions and in both consumer and commercial segments
- Productivity initiatives supported reinvestment in price
- Expanded ranges and new tool shop format resonated with customers
- Hammer Media performed well, in partnership with the Group retail media network

Kmart Group

Sales	Earnings
\$6.4b	\$683m
↑ 3.2%	↑ 6.1%

- Benefited from strong value credentials and unique Anko ranges
- Delivered productivity gains through the digitisation of operations across stores, sourcing and supply chain
- Strong digital engagement with customers, as monthly active app users increased to +1.6m
- Launched a third-party marketplace, with early positive trading results

WesCEF

Revenue	Earnings
\$1.2b	\$209m
↓ 3.2%	↑ 18.1%

- Continued strong demand for AN by WA mining customers
- Increased AN capacity by 40ktpa to 865ktpa, following debottlenecking of the first of three nitric acid plants
- The Covalent Lithium joint venture's LiOH refinery is producing high-quality product, but ramp-up timing has been affected by intermittent odour issues

Officeworks

Sales	Earnings ²
\$1.8b	\$68m
↑ 4.7%	↓ 21.8%

- Commenced a significant business transformation program
- Executing initiatives to transition to a low-cost operating model, including restructuring activities and ERP replacement
- Sales growth in technology supported by new ranges
- Strengthened the omnichannel experience by expanding channels

Health

Revenue	Earnings
\$3.3b	\$38m
↑ 8.4%	↑ 35.7%

- Strong execution of the transformation program
- Consumer business performed well, with Priceline Pharmacy's headline network sales up 14.4%
- Material performance improvement in Wholesale, supported by increased productivity in the supply chain

WIS

Revenue ³	Earnings ³
\$0.9b	\$32m
↑ 1.3%	↑ 23.1%

- Restructuring undertaken in FY25 mitigated cost pressures and improved the customer experience
- Blackwoods grew share in a challenging market
- Workwear Group secured new strategic customer commitments in the defence sector, commencing in FY27

1. Excluding net property contribution
 2. Impacted by \$15m in costs associated with the transformation program, largely reflecting restructuring activities and ERP replacement costs
 3. Variance per cent is shown for 2025 compared to 2024 (ex. Coregas) metrics for a like-for-like comparison

Focus on long-term value, consistent with our objective



CLIMATE AND ENVIRONMENT 1H26

27.8%

reduction in Scope 1 and Scope 2 (market-based) emissions

22.6%

increase in rooftop solar capacity, with an additional 58 systems installed

73.5%

of operational waste diverted from landfill

PEOPLE 1H26

9.6

total recordable injury frequency rate (TRIFR) compared to 9.9 in 1H25

4.1%

Indigenous employment¹, maintaining employment parity

43%

women in Board and Leadership Team positions



COMMUNITIES 1H26

\$59.1m

direct and indirect community contributions

4,900

supplier sites in the ethical sourcing program²

1. Percentage of Wesfarmers' Australian team members who identify as Aboriginal or Torres Strait Islander.
2. As at 30 June 2025.

Working capital and cash flow

- Divisional cash realisation remained solid at 103%
- Divisional operating cash flows broadly in line with 1H25
 - Reflects disciplined net working capital management in WesCEF
 - Partially offset by Bunnings' investment in working capital to support the rollout of its new tool shop format and category expansions
- Group operating cash flows decreased 3.3% to \$2,491m due to higher tax paid
- Free cash flows of \$2,745m increased 35.6%
 - Lower operating cash flows offset by the proceeds received from the sale of Coregas and the sale of BWP Management Limited¹
- Group cash realisation ratio of 99%

NET WORKING CAPITAL CASH MOVEMENT

Half-year end 31 December (\$m) ²	2025	2024
Receivables and prepayments	51	165
Inventory	(782)	(451)
Payables	772	493
Total	41	207
Bunnings Group	101	211
Kmart Group	131	188
WesCEF	(72)	(129)
Officeworks	(35)	(17)
Wesfarmers Health	(15)	9
Industrial and Safety	16	28
Other ³	(85)	(83)
Total	41	207

Note: Refer to slides 19 and 20 for relevant definitions.

1. The sale of Wesfarmers' 100% interest in BWP Management Limited to BWP Trust for \$143m completed on 1 August 2025.

2. Amounts reflect cash movements based on the management balance sheet, which is based on different classification and groupings from the balance sheet in the financial statements.

3. Includes Catch (2025: nil, 2024: \$4m).

Capital expenditure

- Gross capital expenditure increased 4.2% to \$619m
 - Largely due to both Kmart Group and Officeworks commencing investment in new omnichannel supply chain facilities
 - Partially offset by reduced spend in WesCEF, following completion of construction of the Kwinana LiOH refinery in FY25
- Net capital expenditure decreased by 44.0% to \$311m
 - This included proceeds from the sale of BPI properties of \$274m
- Expected FY26 net capital expenditure (excluding BPI sale proceeds) of between \$1,000m and \$1,300m, subject to net property investment and the timing of project expenditures

CAPITAL EXPENDITURE

Half-year end 31 December ¹ (\$m)	2025	2024	Var %
Bunnings Group	229	234	(2.1)
Kmart Group	119	66	80.3
WesCEF	157	204	(23.0)
Officeworks	56	29	93.1
Wesfarmers Health	35	26	34.6
Industrial and Safety	19	28	(32.1)
Other ²	4	7	(42.9)
Gross cash capital expenditure	619	594	4.2
Sale of PP&E	(34)	(39)	12.8
Net cash capital expenditure (excl. BPI)	585	555	5.4
BPI sale proceeds	(274)	-	n.m.
Net cash capital expenditure	311	555	(44.0)

1. Capital expenditure provided on a cash basis.

2. Includes capital expenditure for Catch (2025: nil, 2024: \$1m) and OneDigital.

Wesfarmers is accelerating its growth and productivity agenda

'People-First, Digitally-Enabled' approach

People-First



Team members drive the transformation
Customer and stakeholder trust is essential

Digitally-Enabled



Leveraging investments in new technologies
New strategic partnerships with Microsoft and Google Cloud

Accelerating existing strategies

Supporting team members with training and tools

Helping team members develop new skills and work smarter

Deepening customer engagement

Improving the omnichannel customer experience

Delivering operational excellence and safety

Driving productivity and continuous improvement across operations

Leveraging data insights

Enhancing quality and speed of decision-making

Providing low prices for customers

Extending EDLP leadership through investing savings in prices

Divisions responsible for implementation
OneDigital supports development of common technology and tools

Group outlook

- **Well positioned to deliver satisfactory returns to shareholders over the long term**
- Wesfarmers recognises the impact of inflation on households and businesses, and the retail divisions play an important role in the community through offering everyday low prices
- Bunnings' and Kmart's well-established EDLP operating models support sustainable earnings growth through a relentless focus on productivity and low prices
- Australian consumer demand is solid, but cost of living pressures are being felt unevenly across the economy and impacting many households
- The recent interest rate rise and uncertainty regarding the outlook for inflation and interest rates are affecting consumer sentiment
- The **retail divisions** are well positioned to drive profitable growth
 - Supported by strong value credentials and expanding addressable markets
 - For the first 6 weeks of 2H26, the retail divisions have traded well
 - Bunnings' and Officeworks' sales growth were both broadly in line with 1H26¹
 - Kmart Group's sales growth was stronger compared to 1H26¹
- **Health** is building on its positive momentum by growing share in its higher-margin, less capital-intensive Consumer business and expanding on recent improvements in Wholesale
- At **WesCEF**, performance of the Covalent Lithium joint venture's refinery during commissioning has been pleasing, with the refinery producing high-quality LiOH
 - Production ramp-up phase is now expected to be extended, with work underway to address intermittent odour issues
 - WesCEF retains flexibility to sell spodumene concentrate in excess of refinery requirements
 - In 2H26, the majority of WesCEF's share of spodumene concentrate production is contracted
 - Based on these contracts, earnings in 2H26 are expected to be slightly ahead of 1H26²
- The divisions will maintain their focus on cost discipline and productivity to mitigate higher costs
 - Strategic partnerships with leading technology companies are expected to accelerate the Group's progress in these areas
- Wesfarmers retains significant balance sheet flexibility to support investment and manage risks
- The Group expects net capital expenditure of between \$1,000m and \$1,300m for FY26
 - Excluding BPI sale proceeds of \$274m

1. 1H26 sales growth: 4.0% for Bunnings, 3.2% for Kmart Group and 4.7% for Officeworks.

2. 1H26 earnings of \$6m for WesCEF's lithium business.

BALANCE SHEET AND DEBT MANAGEMENT



Strong and resilient balance sheet

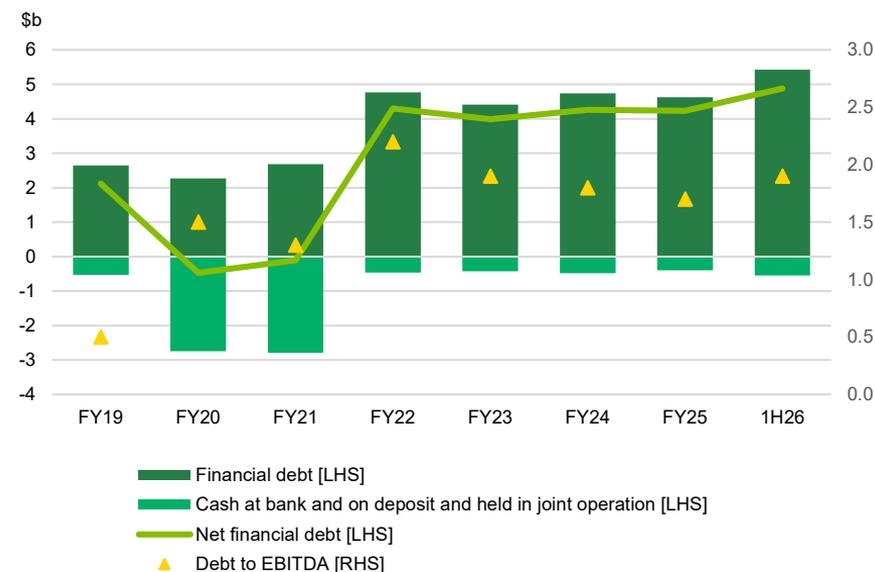
Key principles

- Maintaining a prudent capital structure and strong credit rating is important to Wesfarmers
- Strong credit ratings
 - Moody's A3 (stable outlook)
 - S&P A- (stable outlook)

Half-year update

- Maintained significant flexibility and debt capacity
- Weighted average cost of debt of 3.56% for the half (FY25: 3.83%)
- Weighted average debt term to maturity of 4.5 years¹ (1H25: 4.6 years)
- Net financial debt position of \$4.9b as at 31 December 2025, compared to net financial debt position of \$4.2b as at 30 June 2025
 - Increase reflects the distribution of \$1.3b in fully-franked ordinary dividends and \$1.7b associated with the capital management initiative announced at the FY25 results and paid in December 2025, partially offset by the Group's strong free cash flow generation
- Strong liquidity position, supported by committed unused bank facilities available of c.\$1.3b
- Significant headroom against key credit metrics and Debt / EBITDA (excl. significant items)^{2,3} increased to 1.9x (1H25: 1.7x)

NET FINANCIAL DEBT



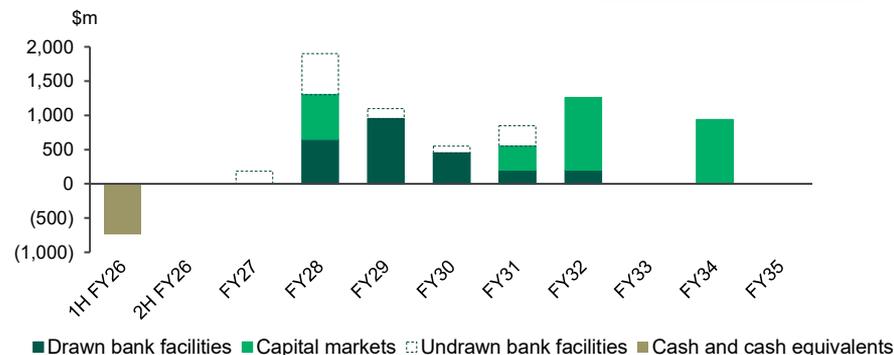
Note: Refer to slides 19 and 20 for relevant definitions.

1. Drawn debt only.
2. The calculation of debt to EBITDA may differ from the metrics calculated by the credit rating agencies which apply their own methodologies and adjustments.
3. Excludes \$279m in pre-tax significant items recorded in 2H25, relating to the gain on sale of Coregas, profit on the wind-up of the BPI property structure and costs associated with the wind down and transition of Catch.

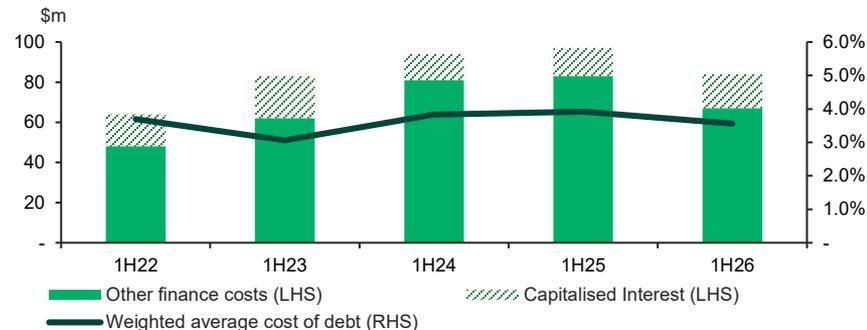
Proactive debt management

- Continued focus on optimising debt capacity, maturity profile and cost of funds:
 - Increased bank facilities, maintaining liquidity headroom whilst managing borrowing costs
 - Extended existing bank facilities to lengthen and spread-out debt maturity profile
- Actively managing the balance of exposure to fixed and floating interest rates
- Other finance costs decreased 20.5% to \$66m
 - On a combined basis, other finance costs including capitalised interest decreased 14.4% to \$83m

DEBT MATURITY PROFILE¹



FINANCE COSTS AND WEIGHTED AVERAGE COST OF DEBT



Note: Refer to slides 19 and 20 for relevant definitions.

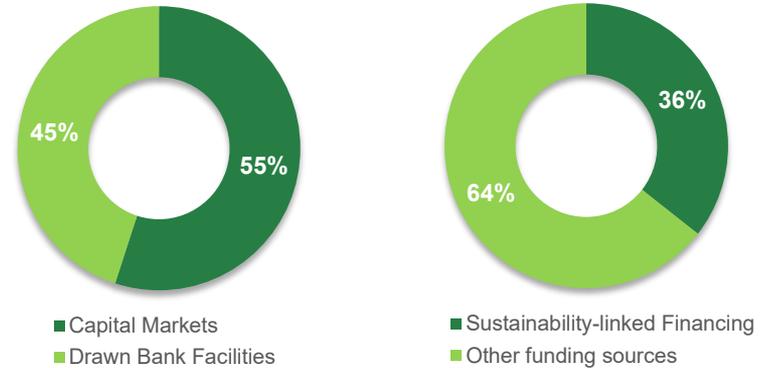
1. As at 31 December 2025. Does not include \$100m Clean Energy Finance Corporation facility (FY32 maturity). Capital markets debt is net of cross-currency interest rate swaps.

Debt capital markets diversity

DCM GEOGRAPHICAL SOURCES¹



DEBT BY TYPE¹



- Ongoing commitment to maintain access to a diverse range of funding sources, including the domestic and international debt capital markets
- Australian and European debt capital market programme documentation updated on an ongoing basis to ensure continued and ready access to markets
- We continue to monitor onshore and offshore debt capital markets for favourable issuance opportunities subject to financing requirements

1. As at 31 December 2025 on a drawn basis.

Sustainable finance update

March 2020 A\$400m sustainability-linked loan	June 2021 A\$1b sustainability-linked bond	October 2021 €600m sustainability-linked bond	HY26 Update
<ul style="list-style-type: none"> Achieving proportional representation for Aboriginal and Torres Strait Islander (ATSI) people in the Group's Australian work force Reducing the emissions intensity of the Group's chemicals business 	<ul style="list-style-type: none"> Increasing the use of renewable electricity in the Group's retail divisions (Bunnings Group, Kmart Group and Officeworks) Reducing the emissions intensity of ammonium nitrate production in the Group's chemicals business 		<ul style="list-style-type: none"> 4.1% indigenous employment¹, maintaining employment parity Emissions intensity of ammonium nitrate based on 31 December 2025 expected to remain well below target The retail divisions⁴ achieved their 100 per cent renewable energy targets, driving a 92.1% year-on-year reduction in their Scope 1 and 2 market-based emissions from retail divisions (27.8% reduction for the Group) As a result, Wesfarmers will meet its targets under both its SLLs and SLBs as of 31 December 2025, which is also the Sustainability Performance Targets test date for the bonds. The final SLB progress report for 31 December 2025 will be made available by 31 March 2026 on the Debt Investor section of the Wesfarmers website
<p>Progress as at FY25</p> <ul style="list-style-type: none"> 3.8% indigenous employment¹, maintaining employment parity (FY20: 1.9%) Continued focus on reduction of the emissions intensity of the Group's chemicals business, including management of increased ammonia production 	<p>Progress as at FY25</p> <ul style="list-style-type: none"> Emissions intensity of ammonium nitrate in the chemicals business was 0.15 tonnes CO₂e per tonne of ammonium nitrate based on² 31 December 2024 (target is 0.25) Continuing to invest in renewable electricity generation with a total of 257 rooftop solar installations totalling 55 megawatts of generation capacity as at 30 June 2025. Retail divisions³ achieved a 23.9% year-on-year reduction in Scope 1 and 2 market-based emissions In 2024⁴, Bunnings and Officeworks executed the remaining renewable electricity agreements to source 100 per cent of their electricity from renewable sources by 31 December 2025, and Kmart Group executed renewable electricity sourcing agreements across Australia. Where the retail divisions are unable to procure renewable electricity to cover residual use (principally associated with operations within embedded networks and international sites), they will acquire and surrender renewable energy certificates to meet the SLB requirements 		

1. Percentage of Australian team members who identify as Aboriginal or Torres Strait Islander team members.

2. Based on the 24 months to the relevant date.

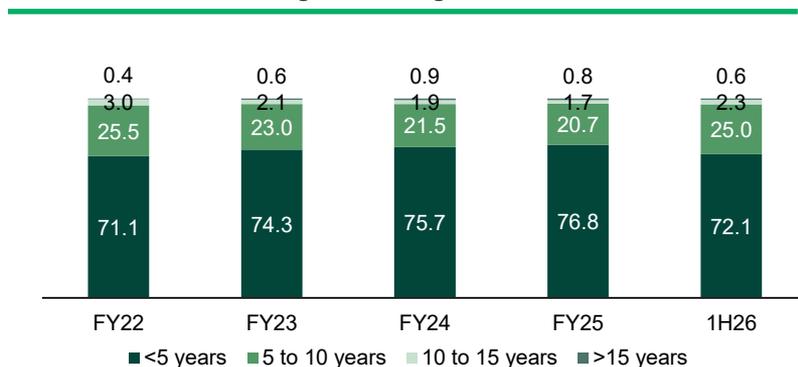
3. Bunnings, Kmart Group and Officeworks.

4. As per Sustainability-linked Bonds progress report – 31 December 2024

Management of lease portfolio

- Lease liabilities totalled \$7.2b and represented 56% of the Group's fixed financial obligations as at 31 December 2025
- Average remaining committed lease term of 4.2 years (FY25: 3.9 years)
 - Complemented by strategic extension options to maintain security of tenure
 - Reflects disciplined management of leases in retail businesses
- Continued to focus on lease-adjusted return on capital as a key hurdle for divisions

Weighted average lease term¹



Lease liabilities (\$m)	1H26	FY25	1H25
Bunnings Group	3,890	3,350	3,555
Kmart Group	2,376	2,242	2,151
WesCEF	93	66	53
Officeworks	412	414	433
Wesfarmers Health	247	238	218
Industrial and Safety	98	95	114
Other ²	44	44	65
Total lease liabilities	7,160	6,449	6,589

Note: Refer to slides 19 and 20 for relevant definitions.

1. Calculated as weighted average of undiscounted dollar commitments by year including non-property leases and reasonably certain extension options.

2. Includes Catch (1H26: nil, FY25: nil, 1H25: \$31m).

Shareholder distributions

Key principles

- Dividend distributions determined based on franking credit availability, current earnings, cash flows, future cash flow requirements and targeted credit metrics
- Focus is on maximising value of franking credits for shareholders. Dividends are not progressive, and vary year-to-year with earnings

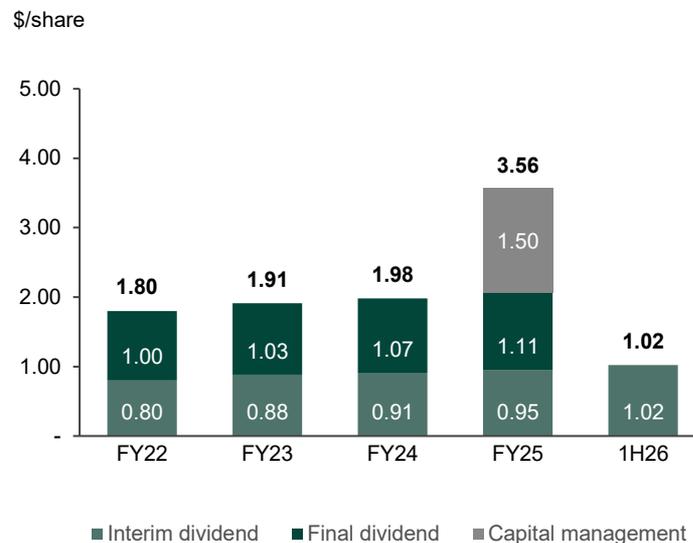
Capital management initiative

- Distribution of \$1.50 per share paid in December 2025, comprising a capital return of \$1.10 per share and a fully-franked special dividend of \$0.40 per share
- Consistent with the Group's focus on providing a satisfactory return to shareholders and commitment to efficient capital management
- Continue to maintain significant balance sheet flexibility following distribution

Half year update

- Fully-franked ordinary interim dividend of \$1.02 per share
- Dividend record date 25 February 2026; dividend payable 31 March 2026
- Dividend investment plan: not underwritten; last day for application 26 February 2026
 - Dividend investment plan shares expected to be purchased on market

SHAREHOLDER DISTRIBUTIONS¹



1. Represents distributions determined to be paid in each period.

Additional resources

- Wesfarmers debt investor website

<https://www.wesfarmers.com.au/investor-centre/debt-investors>

- Wesfarmers sustainable finance website

<https://www.wesfarmers.com.au/investor-centre/debt-investors/sustainable-finance>

- Please email to the below address if you would like to be added to our distribution list for debt updates:

debt@wesfarmers.com.au

Glossary of terms (1 of 2)

Term	
AN	Ammonium nitrate
b	Billion
Cash realisation ratio	Operating cash flows as a percentage of net profit after tax, before depreciation and amortisation
CO₂e	Carbon dioxide equivalent
Covalent Lithium	Wesfarmers' 50 per cent owned joint venture with Sociedad Química y Minera
DCM	Debt capital markets
Debt to EBITDA	Total debt including lease liabilities, net of cash and cash equivalents, divided by EBITDA. The calculation may differ from the metrics calculated by Moody's Investors Service and S&P Global Ratings, which each have their own methodologies for adjustments
Divisional cash realisation	Divisional operating cash flows before interest, tax, PPE and lease finance payments divided by divisional EBITDA. Includes Catch but excludes OnePass and supporting capabilities
EBITDA	Earnings before finance costs, taxes, depreciation and amortisation
EDLP	Everyday low prices
ERP	Enterprise resourcing planning
ktpa	Kilotonnes per annum

Glossary of terms (2 of 2)

Term	
ktCO₂e	Kilotonnes of carbon dioxide equivalent
LiOH	Lithium hydroxide
m	Million
n.m.	Not meaningful
Net financial debt	Interest-bearing loans and borrowings less cash at bank and on deposit and held in joint operation, net of cross-currency interest rate swaps and interest rate swap contracts. Excludes cash on hand, cash in transit and lease liabilities
NPAT	Net profit after tax
SLB	Sustainability-linked bond
SLL	Sustainability-linked loan
TRIFR	Total recordable injury frequency rate
Weighted average cost of debt	Weighted average cost of debt based on total gross debt before undrawn facility fees and amortisation of debt establishment costs. Excludes interest on lease liabilities and the balance of lease liabilities



Wesfarmers