

# coles

## Coles CPI 9 February 2022



## RPF – Additional **Investment** to support Coles margin growth

Promotional Bundle	Segment	Proposed RRP	Current Strategy	Proposed Strategy	Unit Deal	Margin Enhancement	Profit Rate Impact	Profit Impact	Commentary
Chunkers 1kg	Fresh	\$5.50	Down Down \$4.25 5 <sup>th</sup> Margin <del>RE</del> %	Down Down \$5.00 5 <sup>th</sup> Margin <del>RE</del> %	\$ <del>RE</del>		\$ <del>RED</del>	Current +\$ <del>RED</del> Proposed \$ <del>RED</del> ■% (+\$ <del>RED</del> )	Funding to maintain Down Down ticket at \$5 Bundle delivering \$11.3m in RSV assuming 100% volume transfer. Starting ASAP
Fussy Cat Cups 70g	Fresh	\$2.50	Varying Promo's 5 <sup>th</sup> Margin <del>RE</del> %	30 x \$200 5 <sup>th</sup> Margin <del>RE</del> %		\$ <del>RED</del>	\$ <del>RE</del>	Current \$ <del>RE</del> Proposed \$ <del>RED</del> <del>RE</del> % (\$ <del>RE</del> )	Margin enhancement increase from \$ <del>RE</del> to \$ <del>RED</del> to achieve <del>RE</del> % margin. Confirm ranging at current review as presented
Fussy Cat 450g	Fresh	\$6.50	5 x \$5.30 1 x \$4.00 5 <sup>th</sup> Margin <del>RE</del> %	52 x \$6.50 5 <sup>th</sup> Margin <del>RE</del> %		\$ <del>RE</del>	\$ <del>RED</del>	Current \$ <del>RE</del> Proposed \$ <del>RE</del> <del>RE</del> % (\$ <del>RE</del> )	\$ <del>RE</del> margin enhancement applied to achieve <del>RE</del> % + <del>RE</del> % vs current. Maintain existing ranging
<b>TOTAL</b>							\$ <del>RED</del>	Incremental \$ <del>RE</del>	

## RPF – Additional **promotional activity** to drive value for Shoppers and Coles

Promotional Bundle	Segment	Proposed RRP	Current	Proposed	RPF Investment	Profit Impact	Commentary
Fussy Cat Pouch 12pk	Cat Wet	No Change	12 x \$10.00 4 x \$8.75	12 x \$10.00 6 x \$8.75	+\$ <del>RE</del>	+\$ <del>RE</del>	Increased depth and frequency at \$8.75
Fussy Cat 500g	Cat Dry	No Change	8 x \$3.50 13 x \$4.00	9 x \$3.50 14 x \$4.00	+\$ <del>RE</del>	+\$ <del>RE</del>	Increased depth and Frequency at \$3.50 and \$4.00
Fussy Cat 2.5kg	Cat Dry	No Change	9 x \$14.00 9 x \$16.00	11 x \$14.00 7x \$16.00	+\$ <del>RE</del>	+\$ <del>RE</del>	Increased depth at \$14.00
Natures Goodness 3kg	Dog Dry	No Change	16 x \$12	18 x \$12	+\$ <del>RE</del>	+\$ <del>RE</del>	Increased depth at \$12.00
Natures Goodness 7kg	Dog Dry	No Change	17 x \$24.00 3 x \$20.00	16 x \$24.00 4 x \$20.00	+\$ <del>RE</del>	+\$ <del>RE</del>	Increased depth at \$20.00
					+\$ <del>RE</del>	\$ <del>RE</del>	



Confirming strategy change on Natures Gift 100g – New plan delivers 5<sup>th</sup> Margin ~~RED~~% vs current ~~RED~~%

