



PREMIER INVESTMENTS LIMITED

ABN 64 006 727 966

Appendix 4D – Half Year Report

The information is given under ASX Listing Rule 4.2A.3

Reporting periods

Current Reporting Period: 26 July 2020 to 30 January 2021 (27 weeks)
 Previous Corresponding Period: 28 July 2019 to 25 January 2020 (26 weeks)

Results for announcement to the market

		Percentage Change %		Amount A\$'000
Revenue from Ordinary Activities	up	8.44%	to	795,785
Profit from ordinary activities after tax attributable to members	up	88.91%	to	188,172
Net profit for the period attributable to members	up	88.91%	to	188,172
Dividends		Amount per security		Franked amount per security
<i>Interim Dividend</i>				
Current period		34.0 cents		34.0 cents
Previous corresponding period		34.0 cents		34.0 cents
Record date for determining entitlements to the interim dividend:				24 June 2021
Brief explanation of the figures reported above necessary to enable the figures to be understood:				
The information presented above is based upon the accompanying consolidated half-year financial report for the 27 weeks ended 30 January 2021, whereas the comparative half-year represents a period of 26 weeks ended 25 January 2020. Refer to the attached consolidated half-year financial report and accompanying investor presentation for further information.				
This consolidated half-year financial report is to be read in conjunction with the most recent consolidated Annual Financial Report for the 52 weeks ended 25 July 2020.				

Other information

This report is based on the accompanying consolidated half-year financial report, which have been reviewed by EY. A copy of the Independent Auditor's Review Report has been included in the accompanying consolidated half-year financial report.

Net tangible assets

	Current Reporting Period	Previous Corresponding Period
Net tangible assets per ordinary security ¹	\$4.06	\$3.53

Dividends

Date the dividends are payable	29 July 2021
Record date to determine entitlements to the dividends	24 June 2021

(a) Amount per security

	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim Dividend			
Current period	34.0 cents	34.0 cents	Nil
Previous corresponding period	34.0 cents	34.0 cents	Nil

(b) Interim dividends on all securities

	Current Reporting Period \$A'000	Previous Corresponding Period \$A'000
Ordinary securities	54,014	53,966
Total	54,014	53,966

(c) Dividend reinvestment plans in operation

The last date(s) for receipt of election notices for the dividend plans	Not Applicable
Any other disclosures in relation to dividends:	
The dividend reinvestment plan does not apply to the interim dividend.	

Associates and joint venture entities

Name of Associate Entity	Current Reporting Period		Previous Corresponding Period	
	Ownership Interest in Associate (%)	Share of Net Profit After Tax \$A'000	Ownership Interest in Associate (%)	Share of Net Profit After Tax \$A'000
Breville Group Limited	26.27%	\$16,854	28.00%	\$13,902

¹ Calculated as net assets, less intangible assets as per the accompanying balance sheet, divided by ordinary securities on issue at the end of the half-year. Includes right-of-use assets and lease liabilities resulting from the transition to AASB 16, as disclosed in the accompanying consolidated half-year financial report.

PREMIER INVESTMENTS LIMITED
ABN 64 006 727 966
AND CONTROLLED ENTITIES

CONSOLIDATED HALF-YEAR FINANCIAL REPORT
FOR THE 27 WEEKS 26 JULY 2020 TO
30 JANUARY 2021

This half-year report should be read in
conjunction with the Annual Report
for the 52 weeks ended 25 July 2020

PREMIER INVESTMENTS LIMITED AND CONTROLLED ENTITIES

CONSOLIDATED HALF-YEAR FINANCIAL REPORT
FOR THE 27 WEEKS ENDED
30 JANUARY 2021

TABLE OF CONTENTS

DIRECTORS' REPORT	3
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	5
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	6
CONSOLIDATED STATEMENT OF CASH FLOWS	7
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	8
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	9
DIRECTORS' DECLARATION	20
AUDITOR'S INDEPENDENCE DECLARATION	21
INDEPENDENT REVIEW REPORT	22

DIRECTORS' REPORT

The directors present their report together with the financial report of the consolidated entity consisting of Premier Investments Limited and its controlled entities (the "Group") for the 27 weeks 26 July 2020 to 30 January 2021 ("half-year"), together with the independent review report thereon.

DIRECTORS

The names of the company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Solomon Lew	Chairman and Non-executive Director
David Crean	Deputy Chairman and Non-executive Director
Mark McInnes	Executive Director
Timothy Antonie	Non-executive Director and Lead Independent Director
Sylvia Falzon	Non-executive Director
Sally Herman	Non-executive Director
Henry Lanzer AM	Non-executive Director
Terrence McCartney	Non-executive Director
Michael McLeod	Non-executive Director

COMPANY SECRETARY

Marinda Meyer

EARNINGS PER SHARE

	27 WEEKS ENDED 30 JANUARY 2021	26 WEEKS ENDED 25 JANUARY 2020
	CENTS	CENTS
Basic earnings per share	118.50	62.87
Diluted earnings per share	117.95	62.64

DIVIDENDS

During the half-year the following fully franked dividend was approved and paid:

2020 Final Dividend: 36 cents per share paid on 28 January 2021.

The directors have approved the following fully franked dividends:

2021 Interim Dividend: 34 cents per share payable on 29 July 2021.

OPERATING AND FINANCIAL REVIEW

The Group recorded a net profit after income tax for the 27 weeks ended 30 January 2021 of \$188.2 million (26 weeks ended 25 January 2020: \$99.6 million) – an increase of 88.91% on the previous corresponding period. Total revenue for the Group amounted to \$785.5 million – an increase of 7.09% on the previous corresponding period. Total revenue and other income amounted to \$795.8 million, an increase of 8.44% on the previous corresponding period. The current reporting period, being 26 July 2020 to 30 January 2021, represents 27 weeks, whereas the comparative period, 28 July 2019 to 25 January 2020, represents 26 weeks.

A review of the operations and results of the Group for the half-year are set out in the half-year announcement and investor presentation for the 27 weeks ended 30 January 2021.

ROUNDING

The company is a company of the kind specified in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, dated 24 March 2016. In accordance with that ASIC instrument, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

DIRECTORS' REPORT (CONTINUED)

AUDITOR'S INDEPENDENCE DECLARATION

Attached on page 21 is a copy of the Auditor's Independence Declaration provided under section 307C of the *Corporations Act 2001* in relation to the review of the half-year financial report for the 27 weeks 26 July 2020 to 30 January 2021. This auditor's declaration forms part of the Directors' Report.

Signed in accordance with a resolution of the Board of Directors.

A handwritten signature in blue ink, appearing to read 'S Lew.', is positioned above the printed name.

Solomon Lew

Chairman

23 March 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 27 WEEKS 26 JULY 2020 TO 30 JANUARY 2021

	NOTES	CONSOLIDATED	
		27 WEEKS ENDED 30 JANUARY 2021 \$'000	26 WEEKS ENDED 25 JANUARY 2020 \$'000
Revenue from contracts with customers	4	784,614	732,074
Other revenue	4	914	1,420
Total revenue		785,528	733,494
Other income	4	10,257	379
Total revenue and other income		795,785	733,873
Changes in inventories		(271,494)	(274,240)
Employee expenses	5	(158,550)	(163,661)
Lease rental expense	5	14,667	(23,111)
Depreciation, impairment and amortisation of non-current assets	5	(89,090)	(106,645)
Advertising and direct marketing		(9,915)	(8,928)
Finance costs	5	(6,277)	(9,155)
Other expenses		(29,853)	(25,251)
Total expenses		(550,512)	(610,991)
Share of profit of associate		16,854	13,902
Profit from continuing operations before income tax		262,127	136,784
Income tax expense	6	(73,955)	(37,173)
Net profit for the period attributable to owners		188,172	99,611
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that may be reclassified subsequently to profit or loss:			
Net loss on cash flow hedges		(7,141)	(4,609)
Foreign currency translation		(1,143)	2,477
Net movement in other comprehensive income of associates		(7,805)	(251)
Income tax on items of other comprehensive income	5	2,142	1,383
Other comprehensive loss which may be reclassified to profit or loss in subsequent periods, net of tax		(13,947)	(1,000)
Items not to be reclassified subsequently to profit or loss:			
Net fair value gain (loss) on listed equity investment		9,287	(6,191)
Income tax on items of other comprehensive income	5	(2,786)	1,857
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods, net of tax		6,501	(4,334)
Total other comprehensive loss, net of tax		(7,446)	(5,334)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD			
ATTRIBUTABLE TO OWNERS		180,726	94,277
Earnings per share for profit attributable to ordinary equity holders of the parent:			
Basic, profit for the year (cents per share)	9	118.50	62.87
Diluted, profit for the year (cents per share)	9	117.95	62.64

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JANUARY 2021

	NOTES	CONSOLIDATED	
		30 JANUARY 2021 \$'000	25 JULY 2020 \$'000
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents	11	497,243	448,832
Trade and other receivables		10,895	30,320
Inventories		180,178	156,590
Other current assets		11,725	10,531
Total current assets		700,041	646,273
<i>Non-current assets</i>			
Property, plant and equipment		148,453	155,134
Right-of-use assets	13	213,077	231,790
Intangible assets		826,969	826,888
Deferred tax assets		62,868	66,924
Listed equity investment at fair value	14	27,420	18,132
Investment in associate	15	268,077	257,391
Total non-current assets		1,546,864	1,556,259
TOTAL ASSETS		2,246,905	2,202,532
LIABILITIES			
<i>Current liabilities</i>			
Trade and other payables		154,230	208,979
Income tax payable		54,085	66,172
Interest-bearing liabilities		69,000	-
Lease liabilities	16	174,500	189,221
Provisions		41,688	38,297
Other financial instruments	12	13,467	4,008
Other current liabilities		15,232	8,588
Total current liabilities		522,202	515,265
<i>Non-current liabilities</i>			
Interest-bearing liabilities		77,746	146,659
Deferred tax liabilities		66,605	65,427
Lease liabilities	16	93,855	114,668
Provisions		14,405	10,603
Other financial instruments	12	-	2,316
Other non-current liabilities		146	146
Total non-current liabilities		252,757	339,819
TOTAL LIABILITIES		774,959	855,084
NET ASSETS		1,471,946	1,347,448
EQUITY			
Contributed equity	17	608,615	608,615
Reserves		(44,330)	(37,847)
Retained earnings		907,661	776,680
TOTAL EQUITY		1,471,946	1,347,448

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE 27 WEEKS 26 JULY 2020 TO 30 JANUARY 2021

	CONSOLIDATED	
	27 WEEKS ENDED 30 JANUARY 2021	26 WEEKS ENDED 25 JANUARY 2020
NOTES	\$'000	\$'000
<i>CASH FLOWS FROM OPERATING ACTIVITIES</i>		
Receipts from customers (inclusive of GST)	885,626	815,582
Payment to suppliers and employees (inclusive of GST)	(565,574)	(553,614)
Income taxes paid	(81,451)	(30,200)
Interest received	868	1,245
Borrowing costs paid	(2,475)	(2,979)
Interest on lease liabilities	(3,657)	(6,090)
NET CASH FLOWS FROM OPERATING ACTIVITIES	233,337	223,944
<i>CASH FLOWS USED IN INVESTING ACTIVITIES</i>		
Dividends received from investment in associate	7,482	6,752
Payment for property, plant and equipment	(1,086)	(7,211)
Payment for trademarks	(81)	(153)
NET CASH FLOWS FROM (USED) IN INVESTING ACTIVITIES	6,315	(612)
<i>CASH FLOWS USED IN FINANCING ACTIVITIES</i>		
Equity dividends paid	(111,157)	(58,636)
Payment of principal of lease liabilities	(79,528)	(90,362)
Proceeds from borrowings	-	66,000
Repayment of borrowings	-	(132,000)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(190,685)	(214,998)
NET INCREASE IN CASH HELD	48,967	8,334
Cash at the beginning of the financial period	448,832	190,255
Net foreign exchange difference	(556)	1,168
CASH AT THE END OF THE FINANCIAL PERIOD	497,243	199,757
	11	

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 27 WEEKS 26 JULY 2020 TO 30 JANUARY 2021

	CONSOLIDATED							TOTAL \$'000
	CONTRIBUTED EQUITY	CAPITAL PROFITS RESERVE	PERFORMANCE RIGHTS RESERVE	CASH FLOW HEDGE RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	FAIR VALUE RESERVE	RETAINED EARNINGS	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 26 July 2020	608,615	464	19,359	(4,419)	5,781	(59,032)	776,680	1,347,448
Net profit for the period	-	-	-	-	-	-	188,172	188,172
Other comprehensive income (loss)	-	-	-	(4,999)	(8,948)	6,501	-	(7,446)
Total comprehensive income (loss) for the half-year	-	-	-	(4,999)	(8,948)	6,501	188,172	180,726
Transactions with owners in their capacity as owners								
Performance rights issued	-	-	963	-	-	-	-	963
Dividends paid	-	-	-	-	-	-	(57,191)	(57,191)
Balance as at 30 January 2021	608,615	464	20,322	(9,418)	(3,167)	(52,531)	907,661	1,471,946
At 28 July 2019	608,615	464	17,746	2,503	7,337	(38,908)	751,529	1,349,286
Net profit for the period	-	-	-	-	-	-	99,611	99,611
Other comprehensive income (loss)	-	-	-	(3,226)	2,226	(4,334)	-	(5,334)
Total comprehensive income (loss) for the half-year	-	-	-	(3,226)	2,226	(4,334)	99,611	94,277
Transactions with owners in their capacity as owners								
Performance rights issued	-	-	736	-	-	-	-	736
Dividends paid	-	-	-	-	-	-	(58,636)	(58,636)
Balance as at 25 January 2020	608,615	464	18,482	(723)	9,563	(43,242)	792,504	1,385,663

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 27 WEEKS ENDED 30 JANUARY 2021

1 CORPORATE INFORMATION

The condensed consolidated half-year financial report of Premier Investments Limited for the half-year ended 30 January 2021 was authorised for issue in accordance with a resolution of the directors on 23 March 2021. Premier Investments Limited is a for profit company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange (ASX).

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

i. BASIS OF PREPARATION

The general purpose consolidated half-year financial report for the half-year ended 30 January 2021 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This financial report does not include all notes of the type normally included within the Annual Financial Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the Annual Report for the 52 weeks ended 25 July 2020 and considered together with any public announcements made by Premier Investments Limited during the half-year ended 30 January 2021 in accordance with the continuous disclosure obligations of the ASX listing rules.

The financial report has been prepared on a historical cost basis, except for other financial instruments and listed equity investments at fair value through other comprehensive income, which have been measured at fair value.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000), unless otherwise stated, as the company is a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, dated 24 March 2016.

ii. BASIS OF CONSOLIDATION

The consolidated half-year financial report comprise the financial statements of Premier Investments Limited and its subsidiaries as at 30 January 2021.

iii. COMPARATIVES

The current reporting period of 26 July 2020 to 30 January 2021 represents 27 weeks and the comparative period of 28 July 2019 to 25 January 2020 represents 26 weeks.

When necessary, comparative figures have been adjusted to conform to changes in presentation in the current period.

iv. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the consolidated half-year financial report are consistent with those adopted and disclosed in the Group's Annual Report for the 52 weeks ended 25 July 2020, except for the impact of the adoption of new and revised accounting policies, as discussed below.

v. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Changes in accounting policies, disclosures, standards and interpretations

The accounting policies applied by the Group in the half-year consolidated financial report are the same as those applied by the Group in its Annual Financial Report as at, and for, the 52 weeks ended 25 July 2020. The Group has adopted all new and amended Australian Accounting Standards and AASB Interpretations relevant to the Group and its operations that are effective for the current reporting period, which have had no impact on the consolidated half-year financial report of the Group. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3 SEASONALITY OF OPERATIONS

The financial performance of the Group is exposed to seasonality in the volume of sales, such that the Group's financial performance is historically weighted in favour of the period to 30 January 2021. This seasonality reflects the additional retail sales generated during the Christmas trading period each year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 27 WEEKS ENDED 30 JANUARY 2021

CONSOLIDATED	
27 WEEKS ENDED 30 JANUARY 2021 \$'000	26 WEEKS ENDED 25 JANUARY 2020 \$'000

4 REVENUE AND OTHER INCOME

REVENUE

Revenue from contracts with customers	784,614	732,074
---------------------------------------	---------	---------

Revenue from contracts with customers are disaggregated as follows:

Australian market revenue being \$626,535,000; and International market revenue being \$158,079,000.

OTHER REVENUE

Membership program fees	139	88
Sundry revenue	25	23
Interest received	750	1,309
TOTAL OTHER REVENUE	914	1,420
TOTAL REVENUE	785,528	733,494

OTHER INCOME

Gain on investment in associate resulting from share issue	9,128	-
Royalty and licence fees	17	6
United Kingdom COVID-19 lockdown grants	1,068	-
Other	44	373
TOTAL OTHER INCOME	10,257	379
TOTAL REVENUE AND OTHER INCOME	795,785	733,873

5 EXPENSES

EMPLOYEE EXPENSES

The Group's priority has been to support its team members, keep them in jobs and connected to the business during this unprecedented health crisis. At various times during the first half, it was Government mandated that the Group temporarily close stores throughout most regions in which it operates. During all of these temporary store closures, the Group's focus has been on the health and safety of its teams and the broader communities.

At the start of the first half, the Victorian Government mandated the closure of 216 of the Group's stores for most of August, September and October. As a result of this Government mandate, the Group suddenly lost \$44.0 million in store sales and corresponding gross profit of \$28.5 million on the same period last year. The loss of gross profit more than offset the eligible wage subsidy support recognised during the half.

Over and above any obligations, and despite not being eligible for "JobKeeper 2" from 28 September 2020 onwards, the Group has continued to pay more than 1,500 of its full time and part time Australian team members their contracted hours whilst those teams were unable to work due to various State Government mandated temporary store closures in October, November, December 2020, January and February 2021. Consistent with the Australian Federal Government's policy of keeping people in jobs and connected to their employers during this once in a century health crisis, Premier is committed to the \$15.6 million net benefit of "JobKeeper 1" recognised for the 27 weeks ended 30 January 2021 being used to continue to pay its full time and part time workforce their contracted hours, should they potentially be stood down and unable to work due to any further State Government mandated snap COVID-19 lockdowns.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 27 WEEKS ENDED 30 JANUARY 2021

CONSOLIDATED	
27 WEEKS ENDED 30 JANUARY 2021 \$'000	26 WEEKS ENDED 25 JANUARY 2020 \$'000

5 EXPENSES (CONTINUED)

LEASE RENTAL EXPENSES

Variable lease expenses	1,912	9,191
Other lease expenses	7,315	13,920
COVID-19 related rent concessions	(13,161)	-
Other Australia and New Zealand holdover rent concessions	(9,218)	-
Other	(1,515)	-
NET LEASE RENTAL EXPENSES	(14,667)	23,111

DEPRECIATION, IMPAIRMENT AND AMORTISATION

Depreciation of property, plant and equipment	12,045	16,720
Depreciation of right-of-use assets	77,045	84,886
Amortisation of leasehold premiums	-	14
Impairment of property, plant and equipment	-	5,025
TOTAL DEPRECIATION, IMPAIRMENT AND AMORTISATION	89,090	106,645

FINANCE COSTS

Interest on lease liability	3,657	6,090
Interest on bank loans and overdraft	2,620	3,065
TOTAL FINANCE COSTS	6,277	9,155

OTHER EXPENSES

Foreign exchange losses	666	912
Net (gain) loss on disposal of property, plant and equipment	(2)	83

DISCLOSURE OF TAX EFFECTS RELATING TO EACH COMPONENT OF OTHER COMPREHENSIVE INCOME

Net deferred tax movement on cash flow hedges	(2,142)	(1,383)
Net deferred tax movement on listed equity investment at fair value	2,786	(1,857)
TOTAL INCOME TAX ON ITEMS OF OTHER COMPREHENSIVE INCOME	644	(3,240)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE 27 WEEKS ENDED 30 JANUARY 2021

CONSOLIDATED	
27 WEEKS ENDED 30 JANUARY 2021 \$'000	26 WEEKS ENDED 25 JANUARY 2020 \$'000

6 INCOME TAX EXPENSE

A reconciliation between income tax expense and the product of accounting profit before tax multiplied by the Group's applicable income tax rate is as follows:

Accounting profit before income tax	262,127	136,784
At the Parent Entity's statutory income tax rate of 30% (2020: 30%)	78,638	41,035
Adjustments in respect of current income tax of previous years	69	(197)
Expenditure not allowable for income tax purposes	329	365
Effect of different rates of tax on overseas income	(1,282)	(2,515)
Income not assessable for income tax purposes	(3,688)	(1,290)
Other	(111)	(225)
INCOME TAX EXPENSE REPORTED IN THE STATEMENT OF COMPREHENSIVE INCOME	73,955	37,173

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 27 WEEKS ENDED 30 JANUARY 2021

7 OPERATING SEGMENTS

REPORTABLE SEGMENTS

Retail

The retail segment represents the financial performance of a number of speciality retail fashion chains.

Investment

The investments segment represents investments in securities for both long-term and short-term gains, dividend income and interest.

ACCOUNTING POLICIES

The accounting policies used by the Group in reporting segments internally is the same as those contained in note 2 of the most recent Annual Report and in the prior periods.

It is the Group's policy that if items of revenue and expense are not allocated to operating segments then any associated assets and liabilities are also not allocated to the segments. This is to avoid asymmetrical allocations within segments which management believe would be inconsistent.

RETAIL		INVESTMENT		ELIMINATIONS		CONSOLIDATED	
30 JANUARY 2021 \$'000	25 JANUARY 2020 \$'000	30 JANUARY 2021 \$'000	25 JANUARY 2020 \$'000	30 JANUARY 2021 \$'000	25 JANUARY 2020 \$'000	30 JANUARY 2021 \$'000	25 JANUARY 2020 \$'000

REVENUE AND OTHER INCOME

Revenue	784,614	732,074	-	-	-	-	784,614	732,074
Other revenue	396	180	111,518	54,240	(111,000)	(53,000)	914	1,420
Other income	1,129	379	9,128	-	-	-	10,257	379
Total revenue and other income	786,139	732,633	120,646	54,240	(111,000)	(53,000)	795,785	733,873

Total revenue and other income per the statement of comprehensive income **795,785** **733,873**

Profit before income

tax expense	239,719	124,352	133,405	65,084	(110,997)	(52,652)	262,127	136,784
Income tax expense							(73,955)	(37,173)

Net profit after tax per the statement of comprehensive income **188,172** **99,611**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 27 WEEKS ENDED 30 JANUARY 2021

7 OPERATING SEGMENTS (CONTINUED)

RETAIL		INVESTMENT		ELIMINATIONS		CONSOLIDATED	
30 JANUARY 2021 \$'000	25 JULY 2020 \$'000	30 JANUARY 2021 \$'000	25 JULY 2020 \$'000	30 JANUARY 2021 \$'000	25 JULY 2020 \$'000	30 JANUARY 2021 \$'000	25 JULY 2020 \$'000

ASSETS AND LIABILITIES

Segment assets	990,230	970,254	1,391,702	1,381,509	(135,027)	(149,231)	2,246,905	2,202,532
Segment liabilities	647,042	733,215	180,040	242,195	(52,123)	(120,326)	774,959	855,084
Capital expenditure	2,297	19,024	-	-	-	-	2,297	19,024

CONSOLIDATED	
27 WEEKS ENDED 30 JANUARY 2021 \$'000	26 WEEKS ENDED 25 JANUARY 2020 \$'000

8 DIVIDENDS PAID

DIVIDEND APPROVED AND PAID DURING THE PERIOD:

Final fully franked dividend for the financial year ended 25 July 2020: 36 cents per share (2019: 37 cents per share)	57,191	58,636
--	--------	--------

DIVIDEND APPROVED AND NOT RECOGNISED AS A LIABILITY:

Interim fully franked dividend for the period ended 30 January 2021: 34 cents per share (2020 (i): 34 cents per share)	54,014	53,966
---	--------	--------

(i) The 2020 interim dividend was paid on 30 September 2020.

9 EARNINGS PER SHARE

The earnings and weighted average number of ordinary and potential ordinary shares used in the calculations of earnings per share are as follows:

Net profit after tax	188,172	99,611
----------------------	---------	--------

NUMBER OF SHARES '000	NUMBER OF SHARES '000
-----------------------------	-----------------------------

Weighted average number of ordinary shares used in calculating:

- basic earnings per share	158,795	158,452
- diluted earnings per share	159,538	159,020

There have been no other conversions to, calls of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of this half-year financial report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 27 WEEKS ENDED 30 JANUARY 2021

10 IMPAIRMENT TESTING

INTANGIBLE ASSETS – GOODWILL AND BRAND NAMES

After initial recognition, goodwill and indefinite-life brand names acquired in a business combination are measured at cost less any accumulated impairment losses. Goodwill and brand names are not amortised but are subject to impairment testing on an annual basis or whenever there is an indication of impairment. Goodwill and brand names were subject to a full annual impairment test as at 25 July 2020. A review of indicators of impairment relating to goodwill and brand names was performed as at 30 January 2021. As a result of this review, no indicators of impairment were identified that would require a full impairment test to be performed as at 30 January 2021.

The Annual Report for the 52 weeks ended 25 July 2020 detail the most recent annual impairment tests undertaken for both brand names and goodwill. The Group's impairment tests for goodwill and brand names are based on value-in-use calculations. The key assumptions used to determine the recoverable amounts for the cash-generating units to which brand names and goodwill relate, are disclosed in the 25 July 2020 Annual Report.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment items are subject to impairment testing at each reporting period. As at 30 January 2021, no impairment expense has been recognised for the period (2020: 5,025,000). The financial statements for the 52 weeks ended 25 July 2020 detail the key assumptions used to determine the recoverable amounts of property, plant and equipment.

CONSOLIDATED	
30 JANUARY 2021 \$'000	25 JULY 2020 \$'000

11 CASH AND CASH EQUIVALENTS

Reconciliation of cash and cash equivalents:

Cash at bank and in hand	344,847	305,960
Short-term deposits	152,396	142,872
TOTAL CASH AND CASH EQUIVALENTS	497,243	448,832

12 FINANCIAL INSTRUMENTS

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The Group measures financial instruments, such as derivatives, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in either the principal market for the asset or liability, or, in the absence of a principal market, the most advantageous market for the asset or liability, which is accessible to the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1	Fair value is calculated using quoted prices in active markets for identical assets or liabilities.
Level 2	Fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as process) or indirectly (derived from prices).
Level 3	Fair value is estimated using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 27 WEEKS ENDED 30 JANUARY 2021

12 FINANCIAL INSTRUMENTS (CONTINUED)

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities:

	CONSOLIDATED			
	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	TOTAL \$'000
<i>30 January 2021</i>				
<i>FINANCIAL ASSETS</i>				
Listed equity investment at fair value	27,420	-	-	27,420
	27,420	-	-	27,420
<i>FINANCIAL LIABILITIES</i>				
Interest rate swaps	-	1,630	-	1,630
Foreign exchange contracts	-	11,837	-	11,837
	-	13,467	-	13,467
<i>25 July 2020</i>				
<i>FINANCIAL ASSETS</i>				
Listed equity investment at fair value	18,132	-	-	18,132
	18,132	-	-	18,132
<i>FINANCIAL LIABILITIES</i>				
Interest rate swaps	-	2,316	-	2,316
Foreign exchange contracts	-	4,008	-	4,008
	-	6,324	-	6,324

There have been no transfers between Level 1, Level 2 and Level 3 during the period.

Derivative financial instruments are used by the Group in the normal course of business in order to hedge exposure to fluctuations in foreign exchange rates and interest rates, in accordance with the Group's financial risk management policies. The majority of the Group's inventory purchases are denominated in US Dollars, and in order to protect against exchange rate movements, the Group has entered into forward exchange contracts to purchase US Dollars.

The fair value of the listed equity investment at the reporting date is determined by reference to quoted market bid prices in active markets.

Foreign exchange contracts are measured based on observable spot exchange rates, the yield curves of the respective currencies as well as the currency basis spread between the respective currencies.

Interest rate swaps are measured based on forward interest rates from observable yield curves at the end of the respective reporting period, and contract interest rates, which have been discounted at a rate that incorporates the credit risk of the counterparties.

At the reporting date, the fair values of cash and cash equivalents, trade and other receivables and trade and other payables approximate their carrying values. The carrying value of interest-bearing liabilities approximates the fair value, being the amount at which the liability could be settled in a current transaction between willing parties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 27 WEEKS ENDED 30 JANUARY 2021

CONSOLIDATED	
30 JANUARY 2021 \$'000	25 JULY 2020 \$'000

13 RIGHT-OF-USE ASSETS

Opening balance	231,790	-
Recognition of right-of-use asset on initial application of AASB 16	-	364,643
Additions	58,852	43,700
Depreciation expense	(77,045)	(172,681)
Impairment expense	-	(2,420)
Exchange rate differences	(520)	(1,452)
TOTAL RIGHT-OF-USE ASSETS	213,077	231,790

14 LISTED EQUITY INVESTMENT AT FAIR VALUE

The listed equity investment comprises a non-derivative equity instrument not held for trading and relates to an equity investment in Myer Holdings Limited. The Group has made the irrevocable election to designate the listed equity investment as 'fair value through other comprehensive income', as it is not held for trading, with only dividends recognised in profit or loss. Accordingly, the investment is accounted for at fair value through other comprehensive income, without subsequent reclassification of gains or losses nor impairment to profit or loss.

The fair value of equity investments in listed securities is determined by reference to quoted market bid prices at the close of business on the reporting date.

15 INVESTMENT IN ASSOCIATE

Premier Investments Limited holds 26.27% (25 July 2020: 26.73%) of Breville Group Limited, a company incorporated in Australia whose shares are quoted on the ASX. Premier accounts for its investment in Breville Group Limited using the equity method of accounting.

Premier's share of profit after tax of its associate for the period was \$16,854,000 (25 January 2020: \$13,902,000). Dividends received from the investment in associate for the half-year amounted to \$7,482,000 (25 January 2020: \$6,752,000).

As at 30 January 2021, the fair value of the Group's interest in Breville Group Limited as determined based on the quoted market price was \$1,058,852,000 (25 July 2020: \$947,893,000).

During the period, a gain of \$9,128,000 (25 January 2020: \$nil) was recorded in other income resulting from an issue of shares by the associate, and the corresponding impact on the Group's method of equity accounting.

CONSOLIDATED	
30 JANUARY 2021 \$'000	25 JULY 2020 \$'000

16 LEASE LIABILITIES

Opening balance	303,889	-
Recognition of lease liability on initial application of AASB 16	-	410,193
Additions	59,630	50,315
Interest expense	3,657	11,080
Payments	(79,528)	(150,958)
COVID-19 related rent concessions	(13,161)	(15,013)
Other Australia and New Zealand holdover rent concessions	(4,110)	-
Other	(1,515)	-
Exchange rate differences	(507)	(1,728)
TOTAL LEASE LIABILITIES	268,355	303,889

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 27 WEEKS ENDED 30 JANUARY 2021

CONSOLIDATED	
30 JANUARY 2021 \$'000	25 JULY 2020 \$'000

16 LEASE LIABILITIES (CONTINUED)

Comprising of:

Current lease liability	174,500	189,221
Non-current lease liability	93,855	114,668
TOTAL LEASE LIABILITIES	268,355	303,889

COVID-19 RELATED RENT CONCESSIONS

The Group has adopted the practical expedient issued by the Australian Accounting Standards Board whereby it has not accounted for rent concessions which are a direct consequence of the COVID-19 pandemic as lease modifications. Instead, the Group recognised these concessions in the statement of comprehensive income for the half-year ended 30 January 2021 as a variable amount as and when incurred.

The practical expedient may be applied where the following conditions apply:

- The changed lease payments were substantially the same or less than the payments prior to the rent concession;
- The reductions only affect payments which fall due before 30 June 2021; and
- There has been no substantive change in the terms and conditions of the lease.

CONSOLIDATED	
30 JANUARY 2021 \$'000	25 JULY 2020 \$'000

17 CONTRIBUTED EQUITY

Ordinary shares – issued	608,615	608,615
TOTAL CONTRIBUTED EQUITY	608,615	608,615

NUMBER OF SHARES '000	NUMBER OF SHARES '000
-----------------------------	-----------------------------

Movements in issued shares during the period:

Balance at start of the period	158,724	158,430
Shares issued during the period (i)	140	294
Balance at end of the period	158,864	158,724

(i) 139,524 shares (25 July 2020: 294,579) were issued in relation to the performance rights plan.

18 COMMITMENTS AND CONTINGENCIES

As at 30 January 2021, Just Group Limited has bank guarantees and outstanding letters of credit totalling \$5,109,484 (25 July 2020: \$6,168,632).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 27 WEEKS ENDED 30 JANUARY 2021

19 EVENTS AFTER THE REPORTING DATE

On 23 March 2021, the directors approved an interim ordinary dividend of 34 cents per share fully franked.

Subsequent to half year-end, as demonstrated by the most recent Government mandated snap lockdowns during February and March 2021 in Victoria, Brisbane, Perth and Auckland, it is impossible to predict or forecast the ongoing health impacts and each respective Governments' response to the COVID-19 health crisis in each of the markets the Group operates in. The Group's ongoing priority continues to be to support its team members, keep them in jobs and connected to the business.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Premier Investments Limited we state that:

In the opinion of the Directors:

- (a) The financial statements and notes of the Group for the half-year ended 30 January 2021 are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the financial position as at 30 January 2021 and the performance for the period ending on that date of the Group;
 - (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
- (b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the board,



Solomon Lew

Chairman

23 March 2021



**Building a better
working world**

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Auditor's Independence Declaration to the Directors of Premier Investments Limited

As lead auditor for the review of the half year financial report of Premier Investments Limited for the 27 weeks ended 30 January 2021, I declare to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Premier Investments Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

A handwritten signature in black ink, appearing to read 'Glenn Carmody', written over a faint rectangular box.

Glenn Carmody
Partner
23 March 2021



**Building a better
working world**

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Independent Auditor's Review Report to the Members of Premier Investments Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Premier Investments Limited and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 January 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the 27 weeks ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated financial position of the Group as at 30 January 2021 and of its consolidated financial performance for the 27 weeks ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's consolidated financial position as at 30 January 2021 and its consolidated financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Building a better
working world**

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Ernst & Young

Ernst & Young

Glenn Carmody
Partner
Melbourne
23 March 2021