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:	**28 July 2019 to 25 January 2020 (26 weeks)**
Previous Corresponding Period:	**29 July 2018 to 26 January 2019 (26 weeks)**

Results for announcement to the market

		Percentage Change %		Amount A$'000
Revenue from Ordinary Activities	**up**	**7.53%**	**to**	**733,873**
Profit from ordinary activities after tax attributable to members	**up**	**12.15%**	**to**	**99,611**
Net profit for the period attributable to members	**up**	**12.15%**	**to**	**99,611**

Dividends	**Amount per security**	**Franked amount per security**
Interim Dividend		
Current period	34.0 cents	34.0 cents
Previous corresponding period	33.0 cents	33.0 cents
Record date for determining entitlements to the interim dividend:		31 July 2020

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 26 weeks ended 25 January 2020. Refer to the attached consolidated half-year financial report and accompanying investor presentation for further information.

The Group has adopted AASB 16 *Leases* for the 26 weeks ended 25 January 2020. As allowed under the Accounting Standard, prior half-year comparative amounts have not been restated. Refer to Note 2 of the accompanying consolidated half-year financial report for further information on the impact of adoption of AASB 16.

This consolidated half-year financial report is to be read in conjunction with the most recent Annual Financial Report for the 52 weeks ended 27 July 2019.

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	$3.53[1]	$3.48

Dividends

Date the dividends are payable	30 September 2020
Record date to determine entitlements to the dividends	31 July 2020

(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	33.0 cents	33.0 cents	Nil

(b) Interim dividends on all securities

	Current Reporting Period $A'000	Previous Corresponding Period $A'000
Ordinary securities	53,881	52,282
Total	**53,881**	**52,282**

(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	28.00%	$13,902	28.06%	$12,209

[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 26 WEEKS 28 JULY 2019 TO 25 JANUARY 2020

This half-year report should be read in
conjunction with the Annual Report
for the 52 weeks ended 27 July 2019

PREMIER INVESTMENTS LIMITED AND CONTROLLED ENTITIES

CONSOLIDATED HALF-YEAR FINANCIAL REPORT
FOR THE 26 WEEKS ENDED
25 JANUARY 2020

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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 26 weeks 28 July 2019 to 25 January 2020 ("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

	26 WEEKS ENDED 25 JANUARY 2020 CENTS	26 WEEKS ENDED 26 JANUARY 2019 CENTS
Basic earnings per share	62.87	56.17
Diluted earnings per share	62.64	55.87

DIVIDENDS

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

2019 Final Dividend: 37 cents per share paid on 15 November 2019.

The directors have approved the following fully franked dividends:

2020 Interim Dividend: 34 cents per share payable on 30 September 2020.

OPERATING AND FINANCIAL REVIEW

The Group recorded a net profit after income tax for the 26 weeks ended 25 January 2020 of $99.6 million (26 weeks ended 26 January 2019: $88.8 million) – an increase of 12.15% on the previous corresponding period. Total revenue for the Group amounted to $733.5 million – an increase of 7.51% on the previous corresponding period. Total revenue and other income amounted to $733.9 million, an increase of 7.53% on the previous corresponding period. 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 26 weeks ended 25 January 2020.

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 24 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 26 weeks 28 July 2019 to 25 January 2020. This auditor's declaration forms part of the Directors' Report.

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

Solomon Lew
Chairman
19 March 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 26 WEEKS 28 JULY 2019 TO 25 JANUARY 2020

	NOTES	CONSOLIDATED	
		26 WEEKS ENDED 25 JANUARY 2020 $'000	26 WEEKS ENDED 26 JANUARY 2019 $'000
Revenue from contracts with customers	4	732,074	680,201
Other revenue	4	1,420	2,084
Total revenue		733,494	682,285
Other income	4	379	213
Total revenue and other income		733,873	682,498
Changes in inventories of finished goods		(274,240)	(251,538)
Employee expenses		(163,661)	(157,673)
Operating lease rental expense		(23,111)	(114,580)
Depreciation, impairment and amortisation of non-current assets	5	(106,645)	(15,573)
Advertising and direct marketing		(8,928)	(9,206)
Finance costs	5	(9,155)	(3,996)
Other expenses		(25,251)	(20,306)
Total expenses		(610,991)	(572,872)
Share of profit of associate		13,902	12,209
Profit from continuing operations before income tax		136,784	121,835
Income tax expense	6	(37,173)	(33,015)
Net profit for the period attributable to owners		**99,611**	**88,820**
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that may be reclassified subsequently to profit or loss:			
Net loss on cash flow hedges		(4,609)	(4,228)
Foreign currency translation		2,477	3,445
Net movement in other comprehensive income of associates		(251)	1,566
Income tax on items of other comprehensive income	5	1,383	1,270
Other comprehensive (loss) income which may be reclassified to profit or loss in subsequent periods, net of tax		(1,000)	2,053
Items not to be reclassified subsequently to profit or loss:			
Net fair value loss on listed equity investment		(6,191)	(5,749)
Income tax on items of other comprehensive loss	5	1,857	1,724
Other comprehensive loss not to be reclassified to profit or loss in subsequent periods, net of tax		(4,334)	(4,025)
Total other comprehensive loss, net of tax		**(5,334)**	**(1,972)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS		**94,277**	**86,848**
Earnings per share for profit attributable to ordinary equity holders of the parent:			
Basic, profit for the year (cents per share)	9	62.87	56.17
Diluted, profit for the year (cents per share)	9	62.64	55.87

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 25 JANUARY 2020

	NOTES	CONSOLIDATED 25 JANUARY 2020 $'000	CONSOLIDATED 27 JULY 2019 $'000
ASSETS			
Current assets			
Cash and cash equivalents	11	199,757	190,255
Trade and other receivables		15,537	23,011
Inventories		197,947	171,165
Other financial instruments	12	1,195	6,119
Other current assets		17,160	14,688
Total current assets		**431,596**	**405,238**
Non-current assets			
Property, plant and equipment		198,490	210,855
Right-of-use assets	13	335,406	-
Intangible assets		826,778	826,639
Deferred tax assets		44,044	40,380
Listed equity investment at fair value	14	40,687	46,879
Investment in associate	15	245,630	238,732
Total non-current assets		**1,691,035**	**1,363,485**
TOTAL ASSETS		**2,122,631**	**1,768,723**
LIABILITIES			
Current liabilities			
Trade and other payables		117,656	81,938
Income tax payable		21,809	12,571
Lease liabilities	16	165,976	-
Provisions		25,684	23,881
Other current liabilities		12,215	26,529
Total current liabilities		**343,340**	**144,919**
Non-current liabilities			
Interest-bearing liabilities		101,576	167,493
Deferred tax liabilities		62,029	63,875
Lease liabilities	16	215,875	-
Provisions		11,905	11,465
Other financial instruments	12	2,243	2,548
Other non-current liabilities		-	29,137
Total non-current liabilities		**393,628**	**274,518**
TOTAL LIABILITIES		**736,968**	**419,437**
NET ASSETS		**1,385,663**	**1,349,286**
EQUITY			
Contributed equity	17	608,615	608,615
Reserves		(15,456)	(10,858)
Retained earnings		792,504	751,529
TOTAL EQUITY		**1,385,663**	**1,349,286**

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 26 WEEKS 28 JULY 2019 TO 25 JANUARY 2020

	NOTES	CONSOLIDATED 26 WEEKS ENDED 25 JANUARY 2020 $'000	CONSOLIDATED 26 WEEKS ENDED 26 JANUARY 2019 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		815,582	744,279
Payment to suppliers and employees (inclusive of GST)		(553,614)	(609,968)
Income taxes paid		(30,200)	(27,549)
Interest received		1,245	1,723
Borrowing costs paid		(2,979)	(3,955)
Interest on lease liabilities		(6,090)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES		**223,944**	**104,530**
CASH FLOWS USED IN INVESTING ACTIVITIES			
Dividends received from investment in associate		6,752	5,901
Payment for increase in investment in associate		-	(7,871)
Payment for property, plant and equipment		(7,211)	(7,934)
Payment for trademarks		(153)	(483)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(612)**	**(10,387)**
CASH FLOWS USED IN FINANCING ACTIVITIES			
Equity dividends paid		(58,636)	(52,201)
Payment of lease liabilities		(90,362)	-
Proceeds from borrowings		66,000	69,000
Repayment of borrowings		(132,000)	(107,000)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(214,998)**	**(90,201)**
NET INCREASE IN CASH HELD		**8,334**	**3,942**
Cash at the beginning of the financial period		190,255	178,618
Net foreign exchange difference		1,168	647
CASH AT THE END OF THE FINANCIAL PERIOD	11	**199,757**	**183,207**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE 26 WEEKS 28 JULY 2019 TO 25 JANUARY 2020

	CONSOLIDATED							
	CONTRIBUTED EQUITY $'000	CAPITAL PROFITS RESERVE $'000	PERFORMANCE RIGHTS RESERVE $'000	CASH FLOW HEDGE RESERVE $'000	FOREIGN CURRENCY TRANSLATION RESERVE $'000	FAIR VALUE RESERVE $'000	RETAINED EARNINGS $'000	TOTAL $'000
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**
At 29 July 2018	**608,615**	**464**	**15,734**	**8,059**	**2,977**	**(43,243)**	**752,328**	**1,344,934**
Restatement on initial application of AASB 15	-	-	-	-	-	-	(3,123)	(3,123)
Restated balance as at 29 July 2018	**608,615**	**464**	**15,734**	**8,059**	**2,977**	**(43,243)**	**749,205**	**1,341,811**
Net profit for the period	-	-	-	-	-	-	88,820	88,820
Other comprehensive income (loss)	-	-	-	(2,958)	5,011	(4,025)	-	(1,972)
Total comprehensive income (loss) for the half-year	-	-	-	(2,958)	5,011	(4,025)	88,820	86,848
Transactions with owners in their capacity as owners								
Performance rights issued	-	-	1,147	-	-	-	-	1,147
Dividends paid	-	-	-	-	-	-	(52,201)	(52,201)
Balance as at 26 January 2019	**608,615**	**464**	**16,881**	**5,101**	**7,988**	**(47,268)**	**785,824**	**1,377,605**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS ENDED 25 JANUARY 2020

1 CORPORATE INFORMATION

The condensed consolidated half-year financial report of Premier Investments Limited for the half-year ended 25 January 2020 was authorised for issue in accordance with a resolution of the directors on 19 March 2020. 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 25 January 2020 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 consolidated entity 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 27 July 2019 and considered together with any public announcements made by Premier Investments Limited during the half-year ended 25 January 2020 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 25 January 2020.

iii. COMPARATIVES

The current reporting period of 28 July 2019 to 25 January 2020, as well as the comparative period of 29 July 2018 to 26 January 2019 each 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 27 July 2019, 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

Except as described below, 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 27 July 2019. 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. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS ENDED 25 JANUARY 2020

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

v. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

AASB Interpretation 23 *Uncertainty over Income Tax Treatments*

The Interpretation clarifies the application of the recognition and measurement criteria in AASB 112 *Income Taxes* when there is uncertainty over income tax treatments. The Group has adopted the Interpretation from 28 July 2019, with no material impact on the consolidated financial statements of the Group.

AASB 16 *Leases*

The Group has adopted AASB 16 *Leases* from 28 July 2019, which replaces AASB 117 *Leases* and related interpretations. AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model. The impact of the adoption of AASB 16 on the Group's half-year financial statements and a summary of the new accounting policies that have been applied from 28 July 2019 have been noted below.

(i) Initial application and nature of the effect of adoption of AASB16

Prior to the adoption of AASB 16, the Group classified leases of property, plant and equipment as operating leases under AASB 117. Payments made under operating leases were expensed in profit or loss in the statement of comprehensive income on a straight-line basis over the lease term. Operating lease incentives were recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and a reduction of the liability, over the term of the store lease to which it related.

Upon the adoption of AASB 16, the Group recognises lease liabilities in relation to its contracted obligation to make future lease payments, and a right-of-use asset representing the future economic benefit associated with the right to use the underlying asset. The Group recognises a lease liability and a right-of-use asset for all leases where it is the lessee, except for leases of low-value assets.

The Group has adopted AASB 16 using a modified retrospective approach. Under the transition provisions of the Standard, comparative information has not been restated and continues to be reported under AASB 117. As at 28 July 2019 (being the date of initial application), the Group has measured the right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately prior to the date of initial application. The Group recognised lease liabilities in relation to leases which had previously been classified as operating leases under AASB 117. The Group has measured these lease liabilities at the present value of the remaining future lease payments, discounted using the Group's weighted average incremental borrowing rate of 3.15% as at 28 July 2019.

In applying AASB 16 for the first time, the Group has applied the following practical expedients permitted by the Standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous immediately before the date of initial application;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and;
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS ENDED 25 JANUARY 2020

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

v. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

AASB 16 *Leases* (continued)

(i) Initial application and nature of the effect of adoption of AASB16 (continued)

The following table summarises the impact of adopting AASB 16 on the Group's Statement of Financial Position on adoption at 28 July 2019 for each of the line items affected:

	CONSOLIDATED		
	AASB 117 (PREVIOUS STANDARD) $'000	ADJUSTMENTS $'000	AASB 16 (ADOPTED STANDARD) $'000
ASSETS			
Right-of-use asset	-	364,643	364,643
TOTAL ASSETS	**1,768,723**	**364,643**	**2,133,366**
LIABILITIES			
Current liabilities			
Other current liabilities	26,529	(16,738)	9,791
Lease liability	-	177,086	177,086
Total current liabilities	144,919	160,348	305,267
Non-current liabilities			
Other non-current liabilities	29,137	(28,812)	325
Lease liability	-	233,107	233,107
Total non-current liabilities	274,518	204,295	478,813
TOTAL LIABILITIES	**419,437**	**364,643**	**784,080**
NET ASSETS	**1,349,286**	**-**	**1,349,286**

Operating lease expenditure commitments as disclosed in the financial statements for the 52 weeks ended 27 July 2019 can be reconciled to the lease liabilities recognised in the statement of financial position as at 28 July 2019 as follows:

	CONSOLIDATED $'000
Operating lease commitments disclosed as at 27 July 2019	304,969
Impact of discounting using the Group's weighted average incremental borrowing	(20,405)
Adjustments for changes in leases (reasonably certain options, leases in holdover)	125,629
Total lease liability recognised as at 28 July 2019	410,193
Comprising of:	
Current lease liability	177,086
Non-current lease liability	233,107
Total lease liability recognised as at 28 July 2019	410,193

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS ENDED 25 JANUARY 2020

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

v. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

AASB 16 *Leases* (continued)

(i) Initial application and nature of the effect of adoption of AASB16 (continued)

As at 25 January 2020, the right-of-use asset amounted to $335.4 million and the total lease liability to $381.9 million in the statement of financial position as a result of initially applying AASB 16.

Furthermore, for the 26 weeks ended 25 January 2020 the Group has recognised depreciation and interest expense, instead of operating lease expenses in relation to leases under AASB 16. For the 26 weeks ended 25 January 2020, the Group recognised $84.9 million of depreciation charges and $6.1 million of interest expenses in the statement of other comprehensive income in relation to leases and removed $90.9 million of lease payments compared to the prior comparable period.

(ii) Summary of new accounting policies

The Group has applied the practical expedient where non-lease components are not separated out from the lease components of a lease. The below sets out a summary of the new accounting policies under AASB 16.

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease, being the date that the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date, and amount expected to be paid under residual value guarantees. The variable lease payments which are not included in the measurement of the lease liability are recognised as an expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date, if the rate implicit in the lease cannot be readily determined, using inputs such as government bond rates for the lease period and the Group's expected borrowing margin. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments, a change in the assessment to purchase the underlying asset, or a change in the amounts expected to be payable under a residual value guarantee.

Leases of low-value assets
The Group applies the low-value assets recognition exemption to leases of certain office equipment that are considered of low value. Lease payments on low-value assets are recognised as expense on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS ENDED 25 JANUARY 2020

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

v. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

AASB 16 *Leases* (continued)

(ii) Summary of new accounting policies (continued)

Significant judgement in determining the lease term
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

Where a lease enters holdover, the Group estimates the expected lease term based on reasonably certain information available as at balance date. Any adjustments required due to changes in estimates or entering into a new lease agreement are recognised in the period in which the adjustments are made.

Significant judgement in determining the incremental borrowing rate
The Group has applied judgement to determine the incremental borrowing rate, which affects the amount of lease liabilities and right-of-use assets recognised. The Group assesses and applies the incremental borrowing rate on a lease by lease basis at the relevant lease commencement date, based on the term of the lease. The incremental borrowing rate is determined using inputs including the Group's expected lending facility margin and applicable government bond rates at the time of entering into the lease, which reflects the expected lease term.

3 SEASONALITY OF OPERATIONS

The financial performance of the consolidated entity 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 25 January 2020. This seasonality reflects the additional retail sales generated during the Christmas trading period each year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 26 WEEKS ENDED 25 JANUARY 2020

4 REVENUE AND OTHER INCOME

	CONSOLIDATED	
	26 WEEKS ENDED 25 JANUARY 2020 $'000	26 WEEKS ENDED 26 JANUARY 2019 $'000
REVENUE		
Revenue from contracts with customers	732,074	680,201

Revenue from contracts with customers are disaggregated as follows: Australian market revenue being $534,387,000; and International market revenue being $197,687,000.

	26 WEEKS ENDED 25 JANUARY 2020 $'000	26 WEEKS ENDED 26 JANUARY 2019 $'000
OTHER REVENUE		
Membership program fees	88	94
Sundry revenue	23	12
Interest received	1,309	1,978
TOTAL OTHER REVENUE	1,420	2,084
TOTAL REVENUE	**733,494**	**682,285**
OTHER INCOME		
Foreign exchange gains	-	121
Royalty and licence fees	6	55
Other	373	37
TOTAL OTHER INCOME	379	213
TOTAL REVENUE AND OTHER INCOME	**733,873**	**682,498**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS ENDED 25 JANUARY 2020

	CONSOLIDATED	
	26 WEEKS ENDED 25 JANUARY 2020 $'000	26 WEEKS ENDED 26 JANUARY 2019 $'000

5 EXPENSES

DEPRECIATION, IMPAIRMENT AND AMORTISATION		
Depreciation of property, plant and equipment	16,720	15,562
Depreciation of right-of-use assets	84,886	-
Amortisation of leasehold premiums	14	11
Impairment of property, plant and equipment	5,025	-
TOTAL DEPRECIATION, IMPAIRMENT AND AMORTISATION	**106,645**	**15,573**
FINANCE COSTS		
Interest on lease liability	6,090	-
Interest on bank loans and overdraft	3,065	3,996
TOTAL FINANCE COSTS	**9,155**	**3,996**
OTHER EXPENSES		
Foreign exchange losses	912	-
Net loss on disposal of property, plant and equipment	83	165
DISCLOSURE OF TAX EFFECTS RELATING TO EACH COMPONENT OF OTHER COMPREHENSIVE INCOME		
Net deferred tax movement on cash flow hedges	(1,383)	(1,270)
Net deferred tax movement on listed equity investment at fair value	(1,857)	(1,724)
TOTAL INCOME TAX ON ITEMS OF OTHER COMPREHENSIVE INCOME	**(3,240)**	**(2,994)**

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	136,784	121,835
At the Parent Entity's statutory income tax rate of 30% (2019: 30%)	41,035	36,551
Adjustments in respect of current income tax of previous years	(197)	(194)
Expenditure not allowable for income tax purposes	365	534
Effect of different rates of tax on overseas income	(2,515)	(3,109)
Income not assessable for income tax purposes	(1,290)	(529)
Other	(225)	(238)
INCOME TAX EXPENSE REPORTED IN THE STATEMENT OF COMPREHENSIVE INCOME	**37,173**	**33,015**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS ENDED 25 JANUARY 2020

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	
	25 JANUARY 2020 $'000	26 JANUARY 2019 $'000	25 JANUARY 2020 $'000	26 JANUARY 2019 $'000	25 JANUARY 2020 $'000	26 JANUARY 2019 $'000	25 JANUARY 2020 $'000	26 JANUARY 2019 $'000
REVENUE AND OTHER INCOME								
Revenue	732,074	680,201	-	-	-	-	732,074	680,201
Other revenue	180	237	54,240	49,847	(53,000)	(48,000)	1,420	2,084
Other income	379	213	-	-	-	-	379	213
Total revenue and other income	732,633	680,651	54,240	49,847	(53,000)	(48,000)	733,873	682,498
Total revenue and other income per the statement of comprehensive income							**733,873**	**682,498**
Profit before income tax expense	**124,352**	**111,339**	**65,084**	**58,373**	**(52,652)**	**(47,877)**	**136,784**	**121,835**
Income tax expense							(37,173)	(33,015)
Net profit after tax per the statement of comprehensive income							**99,611**	**88,820**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS ENDED 25 JANUARY 2020

7 OPERATING SEGMENTS (CONTINUED)

	RETAIL		INVESTMENT		ELIMINATIONS		CONSOLIDATED	
	25 JANUARY 2020 $'000	27 JULY 2019 $'000	25 JANUARY 2020 $'000	27 JULY 2019 $'000	25 JANUARY 2020 $'000	27 JULY 2019 $'000	25 JANUARY 2020 $'000	27 JULY 2019 $'000
ASSETS AND LIABILITIES								
Segment assets	894,702	537,684	1,332,401	1,324,521	(104,472)	(93,482)	2,122,631	1,768,723
Segment liabilities	619,518	299,299	138,864	130,636	(21,414)	(10,498)	736,968	419,437
Capital expenditure	8,240	25,457	-	-	-	-	8,240	25,457

	CONSOLIDATED	
	26 WEEKS ENDED 25 JANUARY 2020 $'000	26 WEEKS ENDED 26 JANUARY 2019 $'000

8 DIVIDENDS PAID

DIVIDEND DECLARED AND PAID DURING THE PERIOD:		
Final fully franked dividend for the financial year ended 27 July 2019: 37 cents per share (2018: 33 cents per share)	58,636	52,201
DIVIDEND APPROVED AND NOT RECOGNISED AS A LIABILITY:		
Interim fully franked dividend for the period ended 25 January 2020: 34 cents per share (2019: 33 cents per share)	53,881	52,282

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	99,611	88,820

	NUMBER OF SHARES '000	NUMBER OF SHARES '000
Weighted average number of ordinary shares used in calculating:		
- basic earnings per share	158,452	158,141
- diluted earnings per share	159,020	158,967

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 26 WEEKS ENDED 25 JANUARY 2020

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 27 July 2019. A review of indicators of impairment relating to goodwill and brand names was performed as at 25 January 2020. As a result of this review, no indicators of impairment were identified that would require a full impairment test to be performed as at 25 January 2020.

The Annual Report for the 52 weeks ended 27 July 2019 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 27 July 2019 Annual Report.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment items are subject to impairment testing at each reporting period. As at 25 January 2020, an impairment expense of $5,025,000 has been recognised for the period (2019: nil). The financial statements for the 52 weeks ended 27 July 2019 detail the key assumptions used to determine the recoverable amounts of property, plant and equipment.

	CONSOLIDATED	
	25 JANUARY 2020 $'000	**27 JULY 2019 $'000**
11 CASH AND CASH EQUIVALENTS		
Reconciliation of cash and cash equivalents:		
Cash at bank and in hand	67,885	59,426
Short-term deposits	131,872	130,829
TOTAL CASH AND CASH EQUIVALENTS	**199,757**	**190,255**

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 or 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 26 WEEKS ENDED 25 JANUARY 2020

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
25 January 2020				
FINANCIAL ASSETS				
Listed equity investment at fair value	40,687	-	-	40,687
Foreign exchange contracts	-	1,195	-	1,195
	40,687	**1,195**	**-**	**41,882**
FINANCIAL LIABILITIES				
Interest rate swaps	-	2,243	-	2,243
	-	**2,243**	**-**	**2,243**
27 July 2019				
FINANCIAL ASSETS				
Listed equity investment at fair value	46,879	-	-	46,879
Foreign exchange contracts	-	6,119	-	6,119
	46,879	**6,119**	**-**	**52,998**
FINANCIAL LIABILITIES				
Interest rate swaps	-	2,548	-	2,548
	-	**2,548**	**-**	**2,548**

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 26 WEEKS ENDED 25 JANUARY 2020

13 RIGHT-OF-USE ASSETS

	CONSOLIDATED	
	25 JANUARY 2020 $'000	27 JULY 2019 $'000
Recognition of right-of-use asset on initial application of AASB 16	364,643	-
Additions	52,451	-
Depreciation expense	(84,886)	-
Exchange rate differences	3,198	-
TOTAL RIGHT-OF-USE ASSETS	**335,406**	**-**

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 28.00% (27 July 2019: 28.06%) 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 $13,902,000 (26 January 2019: $12,209,000). Dividends received from the investment in associate for the half-year amounted to $6,752,000 (26 January 2019: $5,901,000).

As at 25 January 2020, the fair value of the Group's interest in Breville Group Limited as determined based on the quoted market price was $707,361,000 (27 July 2019: $691,666,000).

16 LEASE LIABILITIES

	CONSOLIDATED	
	25 JANUARY 2020 $'000	27 JULY 2019 $'000
Recognition of lease liability on initial application of AASB 16	410,193	-
Additions	58,574	-
Interest expense	6,090	-
Payments	(96,452)	-
Exchange rate differences	3,446	-
TOTAL LEASE LIABILITIES	**381,851**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS ENDED 25 JANUARY 2020

16 LEASE LIABILITIES (CONTINUED)

	CONSOLIDATED	
	25 JANUARY 2020 $'000	27 JULY 2019 $'000
Comprising of:		
Current lease liability	165,976	-
Non-current lease liability	215,875	-
TOTAL LEASE LIABILITIES	**381,851**	**-**

17 CONTRIBUTED EQUITY

	25 JANUARY 2020 $'000	27 JULY 2019 $'000
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	158,430	158,099
Shares issued during the period (i)	45	331
Balance at end of the period	**158,475**	**158,430**

(i) 44,579 shares (27 July 2019: 330,112) were issued in relation to the performance rights plan.

18 COMMITMENTS AND CONTINGENCIES

As at 25 January 2020, Just Group Limited has bank guarantees and outstanding letters of credit totalling $6,669,280 (27 July 2019: $7,587,926).

19 EVENTS AFTER THE REPORTING DATE

On 19 March 2020 the directors approved an interim ordinary dividend of 34 cents per share fully franked.

<u>COVID-19</u>
Our absolute priority is the safety and wellbeing of our teams and we will continue to support all customers and communities in the countries we operate in.

Premier Retail closed 1H20 with 19% more inventory than 1H19. This solid opening and current inventory position is a function of increased inventory investment to support strong sales growth following a record 1H20 as well as the strategic decision to bring forward production and deliveries in advance of Chinese New Year.

Over the past 9 years the Group has significantly diversified sourcing within China and to multiple countries outside of China. In addition, over that same timeframe, our strategic investment in high quality merchants has meant at this stage, as our Chinese factories have reopened over the past 4 weeks, we have been able to secure the majority of the balance of our 2H20 inventory with only minor increases in supply chain costs.

It is impossible to predict or forecast the nature and impact of COVID-19 on consumption and supply chains in each of the countries we operate. In this environment our high quality management team are focussed, flexible and nimble to respond to all unfolding scenarios.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 26 WEEKS ENDED 25 JANUARY 2020

19 EVENTS AFTER THE REPORTING DATE (CONTINUED)

Landlords have a major role to play to ensure retailers can operate in the short term for the long term benefit of all stakeholders. Since the outbreak of COVID-19 we have closed 2 stores in Hong Kong, and we are prepared to close many more stores globally if landlords do not respond to the current crisis. In Australia and New Zealand close to 70% of stores are already in holdover or with leases expiring in 2020 providing the Group with maximum flexibility.

At this stage from what we know today trade has been impacted in the following ways:

- Smiggle Hong Kong, Singapore and Malaysia trade has been and is currently severely disrupted
- Smiggle Ireland and United Kingdom trade has deteriorated significantly since the European outbreak and the announcement of a global pandemic
- Trade in all brands in Australia and New Zealand has been impacted in tourist stores, stores historically supported by international students and more recently by the announcement of a global pandemic
- There could be an impact on Gross Margin as we clear inventory in each market to respond to consumption patterns.

We have detailed cost and supply chain mitigation strategies underway which will be deployed depending on the way in which the challenges we face evolve. There could be significant hardship right across our business. We have been transparent in describing the ever evolving impacts on our group. At this stage it is not currently possible to estimate the extent of these impacts on the group's current and future earnings.

Despite the uncertainty surrounding COVID-19, Premier Investments Limited has:
- A strong balance sheet, with net cash of $98.2 million (including cash on hand of $199.8 million and mainly property related debt of $101.6 million)
- Distinctive brands that have delivered a record 1H20 result
- A very experienced Board and a high quality Management team

The Group will be ready to bounce back as soon as possible.

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 consolidated entity for the half-year ended 25 January 2020 are in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the financial position as at 25 January 2020 and the performance for the period ending on that date of the consolidated entity;
- (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
19 March 2020

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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 half year ended 25 January 2020, 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

Glenn Carmody
Partner
19 March 2020

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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 25 January 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year 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 25 January 2020 and of its consolidated financial performance for the half-year 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 25 January 2020 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
19 March 2020