



ASX RELEASE

13 December 2024

ASX Market Announcements Office
Australian Securities Exchange

ANNUAL GENERAL MEETING – PRESENTATIONS

Please refer to the attached Chairman's address to be delivered to shareholders at today's Annual General Meeting, together with the AGM presentation.

This announcement has been approved for release by the Board of Premier Investments Limited.

Yours faithfully,

Marinda Meyer
Company Secretary
Premier Investments Limited



13 December 2024

CHAIRMAN'S ADDRESS

On behalf of the Premier Investments Limited (“Premier” or “the Group”) Board, I would like to warmly welcome you to our Annual General Meeting for the 2024 financial year (“FY24”).

It is both my pleasure and privilege to address Premier shareholders, the owners of the company, and report on the performance of your company during the year. I speak on behalf of the whole Premier Board when I say we value and respect your ongoing support and trust in the Board and management team over the years.

For my address today I will begin by briefly taking you through the FY24 results and will then discuss the potential sale of our Apparel Brands business to Myer Holdings Limited (“Myer”).

Strong Result in FY24

The 2024 financial year will be remembered as a very challenging year. Consumers in all our markets faced high interest rates, high inflation and significant cost of living pressures. Against this backdrop Premier delivered a strong result, reporting a statutory Net Profit after Tax (“NPAT”) of \$257.9 million down 4.85% on last year, however up over 140% on the pre-COVID FY19 NPAT of \$106.8 million.

Premier Retail, our portfolio of seven iconic retail brands, contributed Earnings before Interest and Tax (“EBIT”) of \$325.9 million¹, a decrease of 8.6% on a record FY23, and up 94.8% on ‘pre-COVID’ FY19.

Premier Retail’s profit contribution was delivered off \$1.595 billion in global sales for the year. Premier Retail’s omni-channel strategy continues to deliver products and shopping experiences to customers through both our online and retail store channels. During FY24, online sales contributed 19.8% of total sales, whilst our customers continued to value our over 1,100 retail store network. Gross margins for the year increased 35 basis points to 62.6%. Pleasingly operational efficiencies largely offset inflationary pressures, with cost of doing business for the Retail segment up only 1.7% on FY23.

Peter Alexander continued to be the standout performer surpassing half a billion dollars in annual sales for the first time with a record \$508.6 million in sales, up 6.2% on FY23. Peter Alexander continues to delight customers with its unique design led product, positioning the brand as one of the leading lifestyle and gifting brands for the entire family. Nine new stores were opened during FY24, and nine existing stores relocated or expanded to improve the customer shopping experience and broaden its customer base.

¹ Refer to page 11 of the Directors’ Report, contained in the FY24 Annual Report, for a reconciliation of Premier Retail EBIT and statutory reported PBT for the Retail Segment.

During October 2024, Peter Alexander opened its new expanded flagship Chadstone store with a new, innovative store concept design. In addition, we are very pleased to announce that Peter Alexander opened its first three retail stores, and dedicated website in the United Kingdom in November 2024, ahead of the all-important Christmas trading period. All three stores are located in prime London shopping centres, and the brand has identified up to ten new UK store opportunities in the short-term.

Further growth opportunities also exist in Australia and New Zealand, with plans for further store openings and store expansions or relocations.

Smiggle delivered global sales of \$296 million for FY24 during a challenging global discretionary retail environment, with the Smiggle customer particularly exposed to increased cost of living pressures in all global markets. Smiggle remains committed to delivering innovative and quality products, reaching more customers through global expansion across multiple channel formats.

Smiggle has a presence in over 20 countries through proprietary stores, concessions and a successful wholesale partnership model with best-in-class partners in key markets. The brand has significant runway for growth through the expansion of its proprietary store network, as well as through the evolving wholesale channel to incorporate freestanding stores in addition to store-in-store arrangements.

Our Apparel Brands business consist of Just Jeans, Jay Jays, Portmans, Dotti and Jacqui E. Collectively these brands delivered sales for the year of \$790.7 million. Continuous improvement in product, sourcing and margin delivered improved sales and margin momentum in the second half of FY24. During October 2024, the Apparel Brands launched a Just Shop Loyalty program across all five apparel brands, delivering valuable customer insights and data to ultimately deliver more relevant product offerings and improved customer experiences. The loyalty program has been very well received by customers, already promoting cross shopping between the Apparel Brands and building brand engagement with customers.

Strong balance sheet, supporting shareholder returns

Throughout FY24 Premier once again maintained a strong balance sheet with cash on hand of \$409.5 million at the end of FY24.

Premier held a 25.5% investment in Breville Group Limited at year end. Breville continued its strong performance in the global small appliance industry. At the end of FY24, Premier's equity accounted investment in Breville had a market value of \$982 million and has a current market value of approximately \$1.35 billion. Premier received a total of \$11.5 million in fully franked dividends from Breville during the year.

At year end, Premier also held a 31.4% investment in Myer Holdings Limited which too is accounted for in Premier's financial statements as an investment in associate. At the end of FY24, the market value of this holding was \$215.3 million. The current market value is approximately \$317 million.

Premier's strong financial performance and stable balance sheet has allowed the Board to reward shareholders with record fully franked ordinary dividends of \$1.33 per share for the year, an increase of 16.7% over the prior year ordinary dividends.

As I said earlier, FY24 was a challenging year for all retailers. The start to FY25 has remained challenging, with customers continuing to experience cost of living pressures across all global markets.

We have previously highlighted the structural shift in retail shopping patterns as consumers continue to migrate towards key promotional periods. In particular Black Friday has become a key focus for both consumers and retailers. Global sales for the 3-week trading period of Black Friday/Cyber Monday, while challenging, have not disappointed.

That said, given the 1H25 result will also rely on the remaining key trading events of Christmas, Boxing Day, and January and Back-to-school sales, we cannot view Black Friday performance in isolation from trading through this important period.

Our experienced team is well prepared for the critical weeks to come – delivering great products across all brands and channels with our demonstrated unrelenting focus on the basics of retail execution. We look forward to updating you as we move forward.

Strategic Review and the Proposed combination of Apparel Brands with Myer

Turning now to Premier's strategic review and the proposed combination of our Apparel Brands business with Myer.

As our shareholders are aware, in August 2023 Premier announced the commencement of a strategic review into the corporate, operating and capital structure of the Group. The review highlighted significant growth opportunities for each of Peter Alexander, Smiggle and the Apparel Brands. Following Myer's proposal to explore a potential combination of Myer with Premier's Apparel Brands, as announced in June 2024, the Premier Board has prioritised exploring that opportunity and the value which might be created for Premier shareholders. Following a period of reciprocal due diligence, Premier and Myer announced in October 2024 that it entered into a binding Share Sale and Implementation Agreement, whereby Myer would acquire the Apparel Brands business from Premier, in exchange for 890.5 million new, fully paid ordinary shares in Myer.

Premier has agreed to distribute 100% of its shares in Myer directly to Premier shareholders by way of an in-specie capital return and in-specie dividend (partially or fully franked). As a result, following the completion of the proposed transaction, Premier would no longer be a shareholder of Myer, with eligible Premier shareholders becoming Myer shareholders directly, whilst holding on to their Premier shares. The Century Plaza Group, Premier's largest shareholder today, will become Myer's largest shareholder, owning approximately 26.8% of Myer. Consistent with that, and following an invitation from Myer, I intend on joining the Myer Board as a Non-Executive Director, in addition to continuing in my role as Chairman of Premier. The Century Plaza Group will continue to be the largest shareholder in Premier at approximately 40%.

The combination of the Apparel Brands business with Myer is an opportunity for us all to play an important role in the future of the Australian and New Zealand retail landscape. The combination of Myer and the Apparel Brands will deliver enhanced scale to the combined group, more opportunities through loyalty, and extract growth throughout the design, sourcing and distribution process.

The decision to move forward with this transaction is ultimately in the hands of shareholders. We will shortly be sending out details of an Extraordinary General Meeting planned for late January 2025, together with an Explanatory Booklet setting out important information about

the transaction and proposed shareholder resolutions. The Premier Board² will be recommending that shareholders vote in favour of the resolutions.

Peter Alexander and Smiggle will remain under the ownership of Premier, where a dedicated focus on the significant local and international growth opportunities for these unique brands will benefit both brands and ultimately Premier shareholders. Premier will also continue to have a strong balance sheet and will retain flexibility to pursue a demerger of Peter Alexander and/or Smiggle in the future.

Leadership and Acknowledgements

Over many years, Premier has delivered for shareholders through responsible and focused management, both at a Board and executive level.

Ms Andrea Weiss joined the Premier Board as a Non-Executive Director in December 2023 and is standing for election today. In the year since she joined, she has brought valuable insight to the Board through her wealth of retail, e-commerce and overseas experience to the Premier board table.

I am grateful to all my fellow Directors for their counsel and insight. It is pleasure and a privilege to have such an experienced and cohesive group of Directors.

Premier's outstanding executive leadership team have executed the Group's growth strategies over the years with great success. I'd like to thank John Bryce, our long-standing Premier Retail Chief Financial Officer and interim Chief Executive Officer, and each of the executive leadership team members for their hard work and best-in-class retail execution, which have resulted in sustained growth for all of our shareholders.

Premier's continued performance would not be possible without all of our dedicated team members – across our retail stores, distribution channels and support office locations. Our exceptional teams deliver day after day for our customers through quality products and shopping experiences. On behalf of the Board and all of our shareholders, I would like to say thank you to our remarkable Premier team.

I would like to conclude by saying Premier remains committed to delivering sustainable and long-term growth for our shareholders. This will be our focus over the coming peak trading period, and as we progress towards the extraordinary shareholder meeting in late January. I look forward to seeing you all at this meeting.

I'd like to thank each and every Premier shareholder, for your ongoing support.

Thank you.

² In relation to the proposed Capital Reduction Resolution, the Premier Board's recommendation will exclude Mr Terry McCartney, who is also a Non-Executive Director of Myer Holdings Limited.



THE **JUST** GROUP
peteralexander

smiggle



portmans

dotti.

JACQUI·E



ANNUAL GENERAL MEETING - 13 DECEMBER 2024

Smiggle





AGENDA

1. Chairman's address
2. Resolutions





1. Chairman's Address



portmans

FY24 Financial highlights

Premier Group Statutory
NPAT
\$257.9 million

- 4.85% on LY

+94.8% on 'pre-COVID' FY19

Premier Retail EBIT
(pre-AASB 16)
\$325.9 million

- 8.6% on LY



Premier Retail Global Sales
\$1,595.3 million
- 2.9% on LY
+ 25.5% on 'pre-COVID' FY19

Online Sales contribution:
19.8%

Retail store network:
> 1,100 stores

*Omni-channel strategy –
delighting customers however
they choose to shop with us*

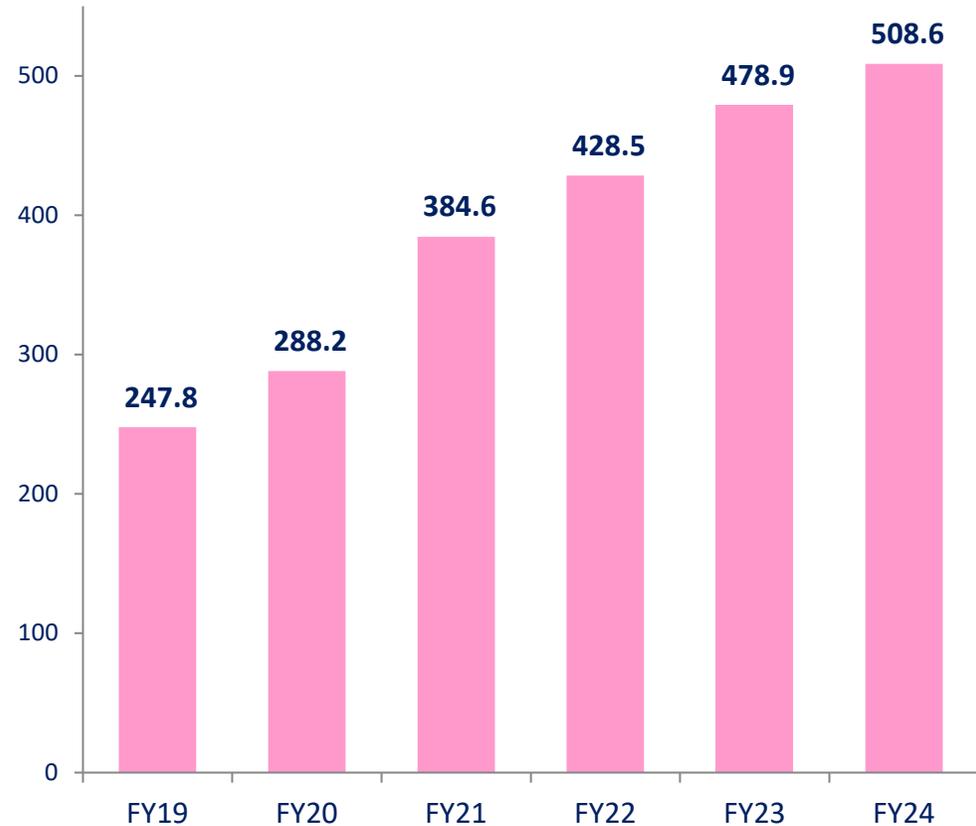


FY24 Financial highlights – Premier Retail



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Sales \$'M



Peter Alexander – Growth Opportunities



1H25 Launch into the United Kingdom

- First 3 stores opened in prime London shopping centres
- Dedicated UK website
- Opportunities for up to 10 new stores in the short-term

FY24 Financial highlights – Premier Retail

**SMIGGLE Global
Sales**

\$296.0 million

“Aspiring to be a world leader in children’s stationery and lifestyle products, reaching more customers through global expansion across multiple channel formats”



Smiggle



Smiggle – Growth Opportunities

	Stores at July 2024
Australia / New Zealand	152
Asia	38
Asia Concession	5
Europe	111
Europe Concession	3

Successful partnerships with best-in-class retailers in key markets, including Middle East and Indonesia

Wholesale strategy allows ability to include freestanding stores, in addition to 'store-in-store' arrangements, providing growth through capital light strategy



Smiggle

FY24 Financial highlights – Premier Retail

Apparel Brand Sales
\$790.7 million

+10.3% on 'Pre-COVID'19
- 6.4% on LY



Balance sheet and shareholder returns

Cash on Hand at
end FY24

\$409.5
million

Market value of 25.5%
Breville Investment at
end FY23

\$981.5 million

Accounting value of investment at
27 July 2024 - \$347.2 million

Market value of 31.4%
Myer Investment at
end FY24

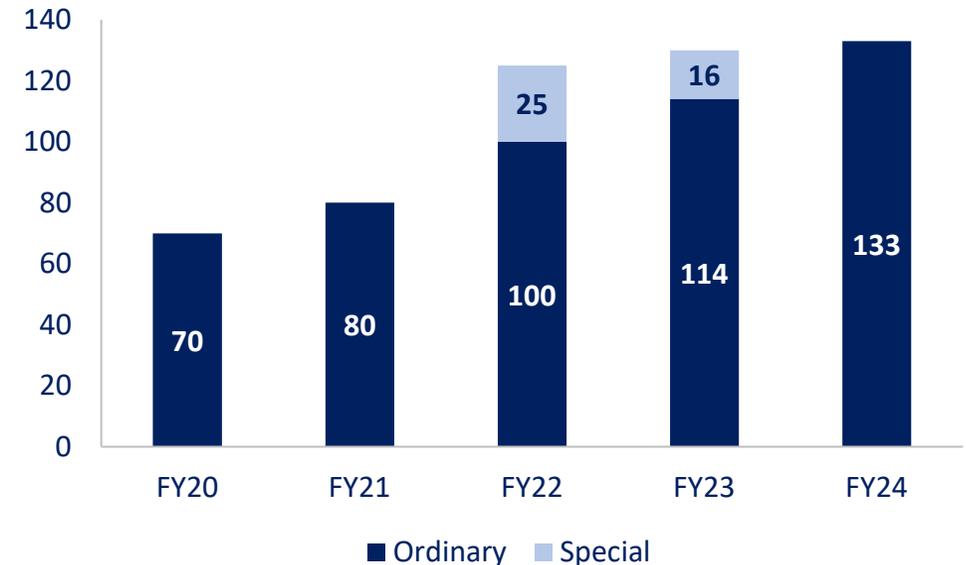
\$215.3 million

Accounting value of investment at
27 July 2024 - \$161.0 million

Record FY24 ordinary
dividends

133 cps fully
franked.

Full year ordinary and special dividends
(cents per share, fully franked)



THE **JUST** GROUP

dotti

JACQUIE

Jay
Jays



peteralexander

portmans

Smiggle



Combination of Apparel Brands with Myer

THE JUST GROUP

dotti JACQUIE E Jay Jays Just Jeans portmans

Creating a powerful combination – a leading retail platform across Aus/NZ

Leverage Apparel Brands' advanced fashion design, sourcing and distribution capability

Enhance customer loyalty and data capabilities across an enlarged customer base and network



peteralexander

smiggle

Focus on Peter Alexander and Smiggle with unique local and international growth opportunities

Premier shareholders to participate directly in Myer value creation through direct shareholding in Myer

Premier maintains strong balance sheet: Breville investment, Cash, Strategically located property assets

smiggle



peteralexander



2. Resolutions





**PREMIER
INVESTMENTS
LIMITED**
A.C.N. 006 727 906





dotti



Thank you for attending

Appendix

Overview of Premier's non-IFRS financial information

- IFRS financial information is financial information that is presented in accordance with all relevant accounting standards.
- Non-IFRS financial information is financial information that is presented other than in accordance with all relevant accounting standards. For example: Adjusted NPAT, Pre AASB 16, significant, one-off items, non-recurring costs, like for like sales and EBIT.
- Any non-IFRS financial information is clearly labelled to differentiate it from reported/IFRS financial information. Premier Investments provides reconciliations in the footnotes and appendix in order to allow the reader to clearly reconcile between the IFRS and non-IFRS financial information.
- Premier Investments' management believes that the presentation of additional non-IFRS information in its results presentations provides readers of these documents with a greater understanding into the way in which management analyses the business as well as meaningful insights into the financial condition or Premier's overall performance.
- Like for like sales growth is calculated on a store by store daily basis in each market, including online stores. Only stores open on the same day in each corresponding period have been included in the LFL percentage growth calculation.
- The Australian Securities and Investments Commission (ASIC) acknowledges the relevance of non-IFRS financial information in providing "meaningful insight" as long as it does not mislead the reader.

Notes regarding Premier Retail EBIT

- Please refer to the 2024 Premier Investments Limited Annual Report (page 11 of the Director's Report) for a reconciliation of Premier Retail EBIT and statutory profit before tax for the Retail Segment.

Forward looking statements

- Any forward looking statements contained in this document have been based on expectations at the date of preparation. The forward looking statements included in this document may generally be identified by use of forward looking words such as believe, target, aim, expect, planned or other similar words. Similarly, statements that describe Premier's objectives, plans, goals or expectations are, or may be, forward looking statements. Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause actual results to differ materially from the expectations. In particular the dynamic nature and continuing uncertainty surrounding COVID-19 means it is impossible to predict or forecast the COVID-19 impact on future global consumption, supply chains and therefore Premier's business. Nothing contained in this document is, or may be relied on as, a promise or representation as to the accuracy or likelihood of fulfilment of any forward looking statements, except to the extent required by law. You are therefore cautioned not to place undue reliance on any such forward looking statements.
- Subject to any obligations under the Corporations Act or the ASX Listing Rules, Premier does not give any undertaking to update or revise any forward looking statements after the date of this document to reflect any change in expectations in relation thereto or any change in events, conditions or circumstances on which any such statement is based.