PREMIER INVESTMENTS LIMITED

A.C.N. 006 727 966

Annual Report 2022

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LOVE

Chairman's Report

Solomon Lew
Chairman

Richard Murray
Premier Retail CEO

On behalf of the Premier Investments Limited ("Premier") Board of Directors, I am pleased to present the 2022 Annual Report for the financial year ended 30 July 2022 ("FY22").

Against the background of the significant operational issues associated with the continuing challenges presented by COVID-19, including Government mandated lockdowns and global supply chain complexities, Premier has again delivered an impressive full year result for our shareholders.

The result also reflects a seamless transition of leadership to Richard Murray, Premier Retail CEO, the unrelenting focus on execution by our management team and the commitment of our people.

Your Board has been fully focused on maintaining a strong and sustainable business. The meticulous execution of our strategies, and our ability to pivot when the environment changes, are the key attributes that sets Premier apart from its competitors. Notwithstanding the challenges presented in FY22, Premier delivered a statutory Net Profit After Tax ("NPAT") of $285.2 million for FY22, up 4.9% on FY21[1]. (Noting that FY21 was a 53 week year). NPAT is up 167% on the 'pre-COVID' FY19 result.

1 The 2021 financial year represented a 53 week period, ended 31 July 2021. The 2022 financial year represented a 52 week period, ended 30 July 2022. Except for statutory NPAT, results are stated on a comparable 52 week period.

Chairman's Report continued

PREMIER RETAIL – OUTSANDING PERFORMANCE

Premier Retail, our wholly owned retail segment contributed record Earnings before Interest and Tax ("EBIT") of $335.0 million, up 10.1% on FY21[2] and up 100.2% on 'pre-COVID' FY19.

Premier Retail comprises of our seven iconic brands – Peter Alexander, Smiggle, Just Jeans, Jay Jays, Portmans, Dotti and Jacqui E. Our omni-channel customer experience allows for a seamless shopping experience in whichever way our customers choose to engage with us. Be it through our over 1,100 bricks and mortar stores across six countries, our fifteen websites across four countries or through our wholesale partnership arrangements with international 'best in class' retailers. Our global operations leverage synergies from the various centralised support functions.

The business reported record global sales for the year of $1.497 billion, up 5.2% on FY21. The strong sales and gross margin performance was achieved despite temporary store closures due to government mandated lockdowns which resulted in the loss of almost 43,000 trading days during the first half.

The Group's five apparel brands contributed sales for the year of $807.9 million, an increase of 12.7% on 'pre-COVID' FY19.

Pleasingly, our apparel brands experienced solid momentum in the second half and a disciplined focus on inventory management has resulted in a clean inventory position for all brands to commence the new financial year.

PETER ALEXANDER – POWERFUL DESIGNER BRAND DELIVERING RECORD SALES

Peter Alexander is a unique design-led brand that continues to excite our customers and deliver year on year record results for our shareholders.

The brand has cemented its position as one of the leading lifestyle and gifting brands in Australia and New Zealand, delivering full year sales of $428.5 million, up 11.4% on FY21 and up 73% on FY19.

The record sales result was driven by exceptional performance across all product categories and channels with increased full priced sales and less promotional activity.

To showcase the brand's wide product offering and truly unique shopping experience, new and larger format stores have been identified as a runway for future growth.

SMIGGLE – REBOUNDING AS SCHOOLS REOPEN

Smiggle is the ultimate children's destination for school essentials and as schools have reopened, Smiggle sales have rebounded. The brand delivered global sales of $261.2 million in FY22, up 24.6% on FY21 with 2H22 sales up 61.7% on 2H21.

Smiggle's performance has been very strong in Australia and New Zealand, with sales growth across both markets and all states for 2H22 and FY22. In our overseas markets, the resumption of schools and tourism has had a positive impact on our European and Asian sales.

During FY22, Smiggle continued to have successful collaborations with major international studios, including Disney, BBC and Universal, as well as its first sporting collaboration with the Australian Football League (AFL).

Smiggle has opened the new year strongly in all markets and channels, particularly in the all-important 'back to school' markets across the northern hemisphere.

STRONG OMNI-CHANNEL OFFERING

Each Premier Retail brand seeks to delight customers in whichever way they choose to shop, and to support this we have continued to invest in people, technology and marketing to improve our world class platforms and customer experiences.

The business delivered record online sales of $340.1 million in FY22, representing 22.7% of total Group sales for the year, and up 14.3% on the previous record result in FY21. Sales in the online channel are delivered at a significantly higher EBIT margin than the retail store channel. Our online sales are up fivefold in five years (up 400% on FY17 $68 million).

Significantly for each of the seven brands, the most viewed window and the largest store is the brand's online channel. Our customers also value the Group's more than 1,100 bricks and mortar stores in six countries.

As we've noted previously, Premier Retail does not seek to close stores but maintains an unrelenting focus on store profitability, with over 75% of its global store network either in holdover or with leases expiring in less than 12 months.

Our landlords recognise the long-term strength of Premier and its seven iconic brands. With their support, opportunities exist to refresh, upgrade and or expand stores across all of Premier's brands over the next three to five years as we simultaneously continue to invest in our online potential.

2 Premier Retail EBIT of $335.0 million excludes significant items. Refer to page 9 of the Directors Report for a reconciliation of Premier Retail EBIT and statutory reported profit before tax for the Retail Segment.

LEVERAGING SYNERGIES

Premier Retail's ability to leverage synergies from centralised sourcing and supply chain functions and a centralised support centre, sets us apart from many of our competitors.

Responsible management of our end-to-end sourcing decisions remains a priority including partnering with ELEVATE, an independent global audit and compliance provider. During the year the Group updated its Modern Slavery statement and published its Living Wage statement. In August 2022, Peter Alexander, Jay Jays, Portmans, Dotti and Jacqui E joined Just Jeans in becoming members of 'Better Cotton'.

Premier Retail operates centralised distribution centres in four countries, fully owning its Australian centre. These distribution centres have enabled the business to be agile and scale up operations in response to customer shopping behaviours across channels. Over the past 12 months, additional distribution centre space has been leased in both Melbourne and Auckland to support ongoing growth and further drive efficiencies.

BALANCE SHEET, DIVIDENDS AND CAPITAL MANAGEMENT

Premier maintains a strong balance sheet with cash on hand of $471.3 million at the end of FY22 and property related debt of $69.0 million, having repaid all operating debt during the year.

At the end of FY22, Premier's investment in Breville Group Limited had a market value of $760.3 million while its 19.88% investment in Myer Holdings Limited was worth $75.9 million.

The Board notes that the environment, whilst challenging for many businesses, may present new opportunities for the Group given the strength of its balance sheet.

In balancing these considerations, the Board has

- approved a final fully franked ordinary dividend of 54 cents per share;
- approved a special fully franked dividend of 25 cents per share; and
- announced a 12-month on-market share buyback of up to $50 million.

The full year ordinary and special dividends for FY22 total 125 cents per share, up 45 cents per share, or 56% on FY21. For FY22, shareholders will therefore be rewarded approximately $199 million in fully franked dividends. The on-market share buyback recognises the significant market volatility at present. The share buyback will allow Premier to acquire shares opportunistically and flexibly, which in turn deliver earnings per share accretion and increase total shareholder returns.

ACKNOWLEDGMENTS

As I have said before, Premier's year after year outstanding results do not happen by accident. In particular, the past three years have at times required swift and decisive action by our experienced Board and leadership team, in an effort to protect and build on the success of our business for our people, our shareholders, and the many stakeholders reliant on a robust Premier business. I am thankful to have the counsel and insight of such an experienced and cohesive group of fellow Directors.

Of course, our outstanding results would not be possible without our dedicated, global over 9,000 strong team. Our exceptional and dedicated team delivers day after day for our customers, our communities, and our shareholders. On behalf of all shareholders, I would like to say thank you to our remarkable and resilient team.

It has been a little over 12 months since Richard Murray joined the Group as Premier Retail CEO. At the time of Richard's appointment, I noted that this was the beginning of a new chapter for Premier. I am extremely pleased with our exceptional performance under Richard's leadership, whilst continuing to carefully manage through the many challenges that this year has presented. As we continue to navigate our way through the changing environment, I am cautiously optimistic that Premier can remain well placed to grow a sustainable, long-term business that continues to deliver strong returns for our shareholders.

I encourage all of our shareholders to participate in the company's Annual General Meeting on 2 December 2022 for a further review on the Group's performance and strategies for the future.

Solomon Lew

Chairman and
Non-Executive Director

The Directors

Solomon Lew
Chairman and
Non-Executive Director

David M. Crean
Deputy Chairman
and Non-Executive Director

Richard Murray
Premier Retail CEO &
Executive Director

Sylvia Falzon
Non-Executive Director

Sally Herman
Non-Executive Director

Henry D. Lanzer AM
Non-Executive Director

Terrence McCartney
Non-Executive Director

Timothy Antonie
Non-Executive Director

Michael R.I. McLeod
Non-Executive Director

Brand Performance Premier Retail

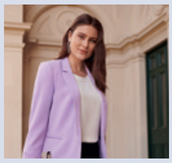
Peter Alexander, is a powerful designer brand and delivered another record sales result for the year of $428.5 million, up 11.4% on FY21 and up 72.9% on FY19. Peter Alexander's unique design led product continues to excite customers. The brand has cemented its position as one of the leading lifestyle and gifting brands in Australia and New Zealand, driving increased full priced sales with less promotional activity. Under the leadership of Judy Coomber, Managing Director Peter Alexander, and Peter Alexander, Creative Director, the growth is set to continue. Peter Alexander is extremely well placed as the leading gift destination for the upcoming Christmas trading period.

Smiggle, is a powerful global brand and delivered global sales of $261.2 million in FY22, up 24.6% on FY21 with 2H22 sales up 61.7% on 2H21. The key to Smiggle's success is children attending school. As schools have reopened, Smiggle sales are rebounding across all markets and channels. Smiggle continued to have successful collaborations during FY22 with Disney studios, BBC studios, Universal studios and its first successful sporting collaboration with the Australian Football League (AFL). Further exciting collaborations will be launching in 1H23 and beyond. Under the leadership of John Cheston, Smiggle will maximise EBIT growth as sales continue to rebound in all markets and across all channels.

Apparel Brands

Our Apparel Brands (consisting of Just Jeans, Jay Jays, Portmans, Dotti and Jacqui E) delivered sales of $807.9 million in FY22, up 12.7% on FY19. These results were delivered despite the significant impact of COVID-19 government mandated lockdowns in Australia and New Zealand in 1H22. Brand performance across the Apparel Group was solid, and particularly gained momentum in 2H22. Teresa Rendo was appointed Managing Director Apparel Brands in March 2022. Teresa was previously at Woolworths Group, with her most recent role Chief Commercial Officer at Big W, where she led the Merchandise Team.

Jay Jays, under Linda Whitehead's leadership, in FY22 delivered its 2nd best sales result in the past decade, a strong result for the brand in a period still significantly impacted by COVID-19. With improving sales momentum through 2H22, Jay Jays has a strong, distinctive and competitive market position and is well positioned for future growth.



Jacqui E, under the leadership of Nicole Naccarella, delivered strong results in FY22, with improving sales momentum through 2H22, up 5.3% on 2H21. Jacqui E has an extremely strong and distinctive market position and is well positioned for future growth, particularly looking to increasing numbers of workers returning to CBD areas after their temporary exodus during the COVID-19 health crisis.

Just Jeans, under Matthew McCormack's leadership, has delivered sales growth of 38.0% over a four year period – a particularly pleasing result for the Group's iconic original brand in a period still significantly impacted by COVID-19. With improving sales momentum through 2H22, Just Jeans has a strong, distinctive and competitive market position and is well positioned for future growth.

Portmans, under the leadership of Jade Wyatt, delivered a stand-out performance with record sales of $156.7 million in FY22, up 11.7% on FY21, underpinned by strong LFL growth both in stores and online. Portmans has an extremely strong and distinctive market position and is well positioned for future growth, particularly looking to increasing numbers of workers returning to CBD areas after their temporary exodus during the COVID-19 health crisis.

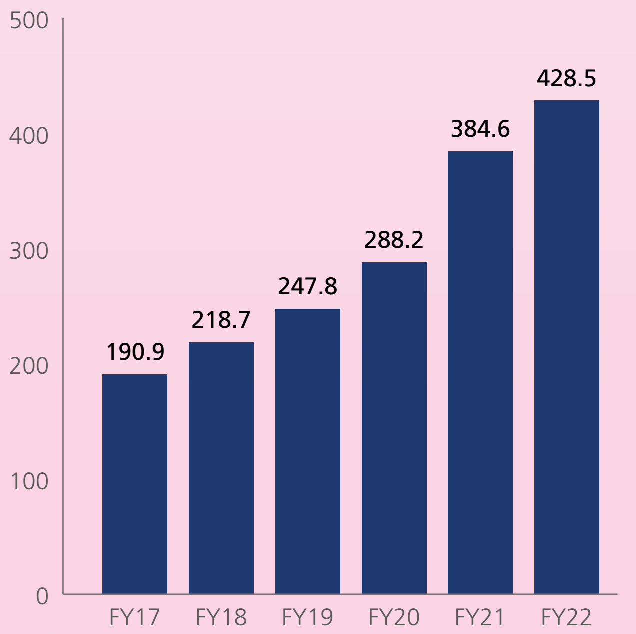
Dotti, under Deanna Moylan's leadership, delivered strong results in FY22, with improving sales momentum through 2H22, up 5.2% on 2H21. Dotti continues to deliver improvement in profit margins being delivered through changes to sourcing strategy. Dotti has a strong, distinctive and competitive market position and is well positioned for future growth.

Peter Alexander

Powerful designer brand delivering record results

- Record FY22 sales of $428.5 million, up 11.4% on FY21, underpinned by strong growth both in stores and online
- Peter Alexander delivered three year sales growth of 72.9% from pre-COVID FY19 to FY22, more than doubling sales in the last five years
- Peter Alexander's unique design led product continues to excite customers. The brand has cemented its position as one of the leading lifestyle and gifting brands in Australia and New Zealand driving increased full priced sales with less promotional activity
- Peter Alexander's record sales result was driven by exceptional performance across all product categories, in particular:
  - Continued strength of ongoing core programs delivering a stable solid year-round base business
  - PA Plus category continues to grow from strength to strength, delivering three year sales growth of over 135% from FY19 to FY22
  - Childrenswear category also continued to deliver exceptional sales growth, up over 75% from FY19 to FY22
- Peter Alexander customers enjoy a truly unique shopping experience:
  - Products that excite
  - World class instore theatre and store window displays
  - Seamless online experience
  - Service teams who love and are immersed in the brand
- Focus on larger format store expansion opportunities have been identified as a runway for further growth to better showcase the wider product offering that has been developed in recent years
- Four new stores have already been confirmed to open in 1H23, as part of the next wave of store openings post COVID-19
- The creative involvement of Peter Alexander as Founder & Creative Director in collaboration with a strong team, under the leadership of Judy Coomber, has allowed the brand to maintain the design led, look and feel of the much-loved heritage of the Peter Alexander brand

Peter Alexander Sales $'M



Smiggle

Powerful global brand rebounding

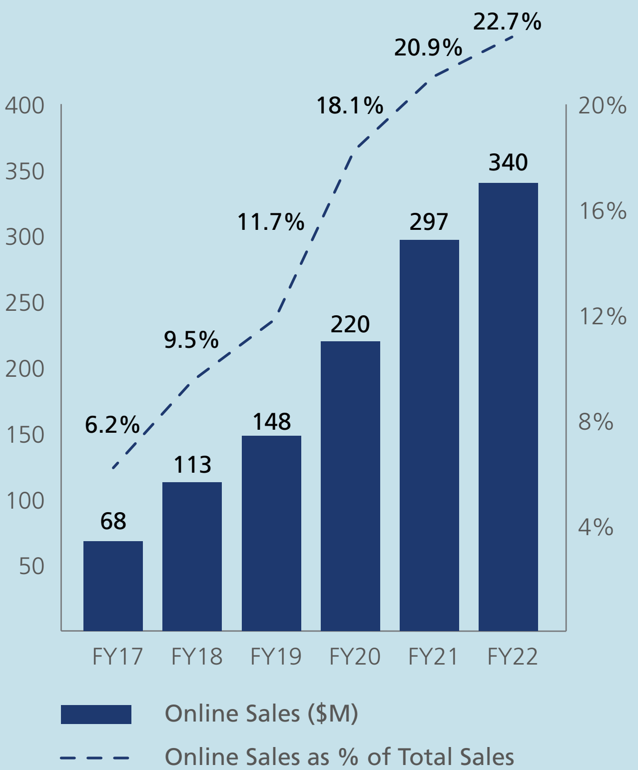
- Smiggle delivered global sales of $261.2 million in FY22, up 24.6% on FY21 (2H22 up 61.7%)
- Smiggle is a unique global brand and the ultimate children's destination for school essentials. From backpacks, water bottles and lunchboxes to pens and pencil cases, Smiggle is the original creator of all things fun, colourful and on trend
- Throughout FY22 the brand's strength was reinforced despite the ongoing impact of COVID-19, delivering full year sales growth across all markets globally
- Australia and New Zealand performance has been very strong delivering total and like-for-like (LFL) growth across both markets and all states for 2H22 and FY22
- Europe sales performance has continued to rebound and surpass expectations, particularly in key tourist stores with global travel resuming
- Asia performance has started to bounce back in 2H22 due to children returning to school and tourism resuming, delivering very strong 2H22 LFL growth
- Smiggle's international wholesale markets have delivered record second half and full year results, with strong demand from both existing and new partners
- Highly successful global collaborations in FY22 including with Disney studios (Disney Princesses, Marvel), BBC studios (Bluey), Universal Studios (Minions) and first sporting collaboration with AFL, with results and response from Smiggle customers far exceeding expectations. Long runway for future collaborations with industry leading film studios that are aligned to Smiggle's core consumers, values and philosophy
- Under the leadership of John Cheston, Smiggle will maximise EBIT growth as sales continue to rebound in all markets and across all channels

The key to Smiggle's success is children attending school. Smiggle sales are rebounding as schools have reopened

Online Channel - Grows fivefold in 5 years

- Record Online sales of $340.1 million, up $42.6 million or 14.3% on a previous record FY21 and contributed 22.7% of total FY22 sales (FY21: 20.9%)
- Online channel sales have grown fivefold in 5 years from FY17 ($68 million) to FY22 ($340 million)
- Successfully launched a new Smiggle website in Singapore, the 15th website now operating across our global markets. Orders for all Asian customers to be fulfilled directly from the existing Singapore Distribution Centre
- For each of the seven brands the most viewed window and the largest store is the brand's online channel
- Under the leadership of Georgia Chewing, major investment continues in people, technology, digital and marketing whilst continuing to deliver a world class platform and customer experience
- These investments mean the Online channel continues to deliver significantly higher EBIT margin than the retail store network providing significant operating leverage for future growth

Online Sales Growth



Our Commitment to Sustainable & Responsible Business Practices

Premier acknowledges that sustainable and ethical operations drive positive change throughout our value chain for each brand; the workers and the suppliers we partner with, our customers, our team, our stakeholders, the communities we serve and our shareholders.

Our focus is to always act ethically, with integrity, responsibly and with care in all our dealings. This is demonstrated through our ways of working and defined in our Premier Code of Conduct, our Policies and our training frameworks.

All of our commitments are underpinned by our values and commitment to make meaningful and lasting change.

Our focus areas are People, Community, Environment and Product & Ethical Sourcing.

Sustainable and responsible business practices are sponsored at a Board level and are a strategic focus of our Directors. Our CEO and Executive Team are accountable for the implementation of our agreed commitments and goals.

People

We strive to create a great place to work that is safe, inclusive and has the best talent who can connect with current and emerging customer needs. We seek to always promote diversity and equality end to end including through our products, our stores and our marketing.

Our 9,000+ team members across 7 countries are the foundation of our retail brands and a key part of our success.

Premier believes that every workplace should be free from discrimination and that everyone should feel confident to be themselves at all times.

We have continued our focus of creating the trajectory of opportunity and great careers for women in retail. In FY22, 91% of our total team are women and 53% of our executive leadership team. Our Board is made up of 22% women.

We will continue to work hard on building more holistic diversity and inclusion across our teams.

Workplace Safety

Creating a safe environment for our team, partners and customers is a key priority that is embedded in our culture. Our teams are trained to monitor, assess, prevent, record and mitigate risks using the 'Just Play it Safe' and 'Safety Eyes' framework.

We operate Distribution Centres (DCs) in Australia and New Zealand. They are a key focus given the risk of injury in the movement of stock.

Our Key Performance Indicators (KPIs) include Lost Time Injury (LTI) and Total Recordable Injury (TRI) – all metrics saw improvement on the previous year and we remain focused on ensuring all our teams return home safely and without incident. We reported a 20% reduction in LTI compared to the previous year and a 23% improvement to TRI.

Our Teams

It has been a unique few years and at Premier we recognise the growing importance of a proactive approach to creating a respectful culture that supports holistic well-being including the physical and mental well-being of our team.

We recently completed our annual Workplace Behavior training to ensure everyone is aware of expectations, obligations and how to voice concerns.

If a team member has identified or experienced any breach of the Code of Conduct or suspected wrongdoing there are a number of avenues where they are encouraged to speak up.

We facilitate mental well-being training annually and our teams also have access to an external Employee Assistance Program (EAP) for a confidential counselling service.

We have a suite of vehicles for our team members from across all markets to provide us with feedback, including "Have Your Say" email inbox, our People Support Hotline for all concerns and ideas, and focus group discussions to better understand key trends and initiatives to maximise engagement with our team members.

Training and Development

Creating engaging experiences for our customers starts with our team. Listening to our team and building a great place to work enables us to attract and retain diversity of talent.

We are committed to unlocking the potential of every team member.

Premier provides ongoing learning and development for our team. We ensure all team members understand the competencies for their roles and support this with a comprehensive induction program, training, tools and regular development discussions. Our training and development programs enable in person and remote self-learning via our 'Just Learn" platform. In FY22 10 training programs were available on our online platform.

Reward and Recognition

We believe that celebrating our achievements, big and small, are important for individuals and teams.

We recognise and reward in a number of ways throughout the year including bi-annual Brand retail conferences, incentive programs and our Annual Just Excellence Awards.

All brands embrace inclusive ranging and marketing campaigns that reflect the diversity of our customers

91%

WOMEN TEAM MEMBERS

53%

WOMEN IN EXECUTIVE LEADERSHIP ROLES

(average service 10 years)

20%

WORKPLACE SAFETY REDUCTION

82%

PEOPLE RESPONSE RATE

Launched our first Voice of Team "Just: Have Your Say" in July 2022 to drive insights and engagement

Community

Through continued collaboration and philanthropic funding, we are proud to work alongside a number of organisations through financial and in-kind support programs.

Premier believes it is important to have a positive impact in the communities where we work and live. We are grateful and inspired by the many organisations that exist to support communities and we are proud to provide support.

This year, we continued to help a number of charities and organisations who make a real difference. We are also thankful for the generous contributions of our team and our customers in our fund-raising efforts.

Supporting Flood Affected Communities and Team Members

The severe weather events in FY22 affected many communities across Australia. In response, we pledged a once-off donation to the Red Cross and also rallied to assist our affected team members.

We also partnered with NSW based charity Thread Together to donate first life clothing that could be responsibly distributed.

Animal Welfare

Peter Alexander is passionate about PJs and equally so about animal welfare.

Our Peter Alexander team has had a long standing relationship with the RSPCA in Australia and Paw Justice in New Zealand. The work includes a number of activities to fundraise and build awareness.

This year the proceeds of charity chocolate blocks were donated to the RSPCA and this, along with other activities, raised $63K. Since the partnership commenced over 15 years ago, a total sum of over $1.3M has been raised.

Our growing presence in New Zealand communities has seen similar activity with proceeds donated to Paw Justice. In FY22 we raised $6.6K, totaling over $140K since our partnership began in 2014.

Peter, along with our team, continues this work to support animal welfare.

PETER ALEXANDER

Animal Welfare donation of $69k for the RSPCA (Australia) and Paw Justice (NZ) in FY22

$130K+

DONATED TO SUPPORT THE NATIONAL BREAST CANCER FOUNDATION (NBCF)

Raising since 2016.

$120K

DONATED BY SMIGGLE TO A NUMBER OF ORGANISATIONS

Supporting education and wellbeing of children and families

Supporting Families and Children

Families are at the heart of all our Brands and none more so than Smiggle.

Premier and our Smiggle brand contribute and fundraise for a number of charities that support children's physical and mental well-being at home and in schools.

Our long-standing partnerships continue with the below organisations.

Alannah & Madeline Foundation

Smiggle continue to partner with the Alannah & Madeline Foundation, an organisation committed to the safety and well-being of children who have experienced or witnessed violence, including cyber bullying and bullying in schools. Smiggle donated $70k AUD (RRP) worth of products in the last financial year for inclusion in the charity's "Buddy Bag" programme. This programme provides vulnerable children with backpacks full of essential home and school supplies.

Premier key charity partners include:

- RSPCA
- Paw Justice
- Dolly's Dream
- Alannah & Madeline Foundation
- Givit
- Thread Together
- Camp Quality
- Australian Red Cross
- National Breast Cancer Foundation
- Johnathan Thurston Academy

Dolly's Dream

Smiggle has been supporting Dolly's Dream for the past 3 years. For the first time in FY22, Smiggle sold a "Choose Kindness Keyring" during the Back to School period, where all proceeds were donated to Dolly's Dream. This initiative raised over $50k for Dolly's Dream. Dolly's Dream is dedicated to changing the culture of bullying by addressing the impact of bullying, anxiety, depression and youth suicide, through education and direct support to young people and families. The funds raised help Dolly's Dream to continue to support schools with their eSmart framework and workshops, speak directly to parents through their online Parent Hub portal, and expand the services of the Dolly's Dream Support Line which is free for parents, carers, grandparents, and children who need help around bullying and associated mental health issues.

Environment

We recognise our responsibility to ensure we have a positive impact on the environment and reduce the amount of energy and natural resources consumed

Premier is committed to giving our team and customers confidence that we will continue to reduce our environmental footprint throughout our value chain.

We are focused on the future and understanding the end to end impacts of our operations today with a commitment to make progress year on year.

Energy Efficiency

Since 2012, we have implemented improved lighting standards with an upgrade to energy efficient LED lighting throughout our store, DC and support network. This upgrade has reduced heat and had the knock-on positive impact of reducing cooling requirements across sites.

> Upgrade of all stores and support sites to LED lighting since 2012

Packaging Stewardship

Premier is a signatory to the Australian Packaging Covenant which brings together business, government and industry to educate and collaboratively take action to improve the packaging value chain in Australia.

We are committed to continuing to understand and upgrade how we enhance and improve packaging or look to more circular solutions across our business.

> Trial underway to reduce Brand Plastic Bags with initial results positively indicating 54% reduction

Branded Customer Bags

In FY22 we have also implemented a customer plastic bag reduction trial with our brands. Since the trial we have reduced plastic bag usage by a further 54%. We have now rolled this initiative out in full across Australia and New Zealand.

Product and Waste Reuse and Recycling

Majority of our carton packaging uses recycled content. We also ensure the "reuse" of cartons across our stores and DCs for replenishment of product. We have partnered with Opal to collect and process any waste in line with their well-documented recycling procedures. Over 800 tonnes of cardboard was recycled by Opal from our Truganina DC and over 185 tonnes of cardboard, paper and plastic collections was recycled by NZ waste management from our New Zealand DC in FY22.

All our sites have on-site recovery systems including paper, cardboard and plastic recycling bins in team areas and in docks. In late FY22 we finalised our partnership with Reground who will collect all soft plastics and coffee grounds from our support office and our Australian distribution centres to be recycled into building film.

Our support office café will also have all coffee grounds collected for distribution into a range of different commercial and community gardens. This collaboration will enable us to better understand, measure and improve our impact.

As we work hard to understand & measure our impact, we are commited to demonstrate ongoing improvements.

> Reuse mindset in all sites for packaging and hangers. Partners with Opal to ensure our core packaging and visual solutions contain recycled content

Leveraging Technology to Remove or Reduce Operational Waste

Wherever we can, we look to remove or reduce operational waste through technology including, support office swipe activated print release, mobile and tablet devices across our network replacing the need to print. Plus, in store screen trials for customer engagement replacing printed Point Of Sale (POS).

Product & Ethical Sourcing

We are committed to the highest standards of ethical conduct and responsible sourcing practices to protect the rights of workers and the communities from which we source.

Premier recognises the social and environmental impacts that our purchasing decisions have.

In FY22 we continued to make good progress in how we responsibly manage our end to end sourcing decisions. We advocate protecting and improving working conditions, human rights, ethical practices and environmental impacts.

Advocating to Protect and Improve Living & Working Conditions

Premier has zero tolerance to modern slavery in all its forms. Our second Modern Slavery Statement was published in January 2022 which spoke to our updated Ethical sourcing program. We will be publishing the first years results of the new program in our next update.

In FY22 we were proud to publish our Living Wage Statement.

All suppliers must sign our Supplier Ethical Code of Conduct (COC) which includes clauses relating to Modern Slavery, compliance to local laws, the rights of workers, prohibiting of discrimination in all forms and unauthorised sub-contracting. In FY22 we updated our COC to ensure it aligned with key human rights principles from International Labour Organization (ILO) core standards and The United Nation's Guiding Principles on Human Rights (UNGPs).

Actions & Due Diligence - Sourcing Responsibly and Ethically

Our sourcing model and policies enable us to make responsible sourcing decisions and ensure that risks are identified, managed and mitigated within our Modern Slavery Framework.

We share our customers' full engagement in understanding where our products are made and that they are sourced responsibly and ethically.

FY22 saw significant progress made in our updated Ethical Sourcing program partnering with a global audit and compliance provider ELEVATE Pty Ltd. The combination of Elevate Responsible Sourcing Assessments (ERSA), Production Verification Assessments and Anonymous Worker Sentiment Surveys (WSS) provides a heightened level of data and insights into our factory partners. With transparency and integrity being key principles in our new program we will continue to develop the necessary capacity building and remediation programs to address the most common and serious issues identified.

Additionally, the Sentinel technology, which is used on the ELEVATE EiQ platform, is a tool that provides timely alerts in relation to any possible human rights or environmental breaches involving our suppliers and factory partners. In the event of such a notification we can ensure all matters are addressed directly with our supply partners and necessary steps are taken if corrective action is required.

Within the reporting period, we became a supporter brand of the Association of Professional Social Compliance Auditors (APSCA). Through this Premier endorses APSCA's work to increase the professionalism, consistency and credibility of individuals and organisations performing social compliance audits. Where Premier chooses to accept audits conducted by audit firms other than ELEVATE these must only be conducted by APSCA member firms.

We have a dedicated sourcing office in Bangladesh and continue to explore and source from multiple locations including China, Bangladesh, India, Pakistan and Vietnam.

Partnered with our strategic audit partner ELEVATE to conduct:

115 on-site social compliance audits
25 on-site production verification audits
44 anonymous worker sentiment surveys

Developed grievance mechanism with ELEVATE
(full roll out in FY23)

To date, 75% of all brand product teams and all Executive completed Ethical Sourcing and Modern Slavery training
(remainder will be completed in FY23)

Published FY21 Modern Slavery Statement January 2022

Product & Ethical Sourcing

Premier Team and Supplier Training

We have a dedicated Ethical Sourcing team who lead the delivery, development and improvement of our ethical and sustainability programs.

During FY22 this team commenced Premier's annual Ethical Sourcing and Modern Slavery training for support office which was first rolled out to product team members and the Executive team.

In addition to face-to-face remediation and support, in our partnership with ELEVATE we also provide E-learning modules covering topics such as Labour, Health & Safety, Business Ethics and Environment to our suppliers.

Enhancement of Data Platforms and risk frameworks for regions through our partnership with ELEVATE EiQ Sentinel technology

Extended our membership application with Better Cotton from Just Jeans to now include Dotti, Jay Jays, Jacqui E, Peter Alexander and Portmans

Published Living Wage Statement

Raw Material Sourcing

Our sourcing commitments extend to our raw materials. Our progress includes:

- In late FY22 we began the application to extend our membership with Better Cotton to include Dotti, Jay Jays, Jacqui E, Peter Alexander and Portmans. Just Jeans have been a member since January 2021.
- Peter Alexander continues its commitment to the Global Organic Textile Standard (GOTS) for a selection of women's and babies apparel. Clothing produced under a GOTS certification must use a minimum of 95% organic cotton and each stage in the supply chain must adhere to strict guidelines to ensure processes adhere to organic principles.
- We continue to target and increase our uptake of more sustainable sourcing of raw materials. In addition, we provide a claims framework and a set of guidelines for our team members to assist them along in this journey.
- We do not condone the sourcing of cotton harvested from any region where state sanctioned forced labour regimes or any forced labour practices exists.
- We do not support practices that are not safe for worker health or the environment such as the use of azo dyes and sandblasting denim.

Premier Investments Limited
A.C.N. 006 727 966

Financial Report

For the 52 weeks ended 30 July 2022
and the 53 weeks ended 31 July 2021

Contents

Directors’ Report

The Board of Directors of Premier Investments Limited (A.B.N. 64 006 727 966) has pleasure in submitting its report in respect of the financial year ended 30 July 2022.

The Directors present their report together with the consolidated financial report of Premier Investments Limited (the “Company” or “Premier") and its controlled entities (the “Group”) for the 52 week period 01 August 2021 to 30 July 2022, together with the independent audit report to the members thereon.

DIRECTORS

The names and details of the Company’s Directors in office during the financial year and until the date of the report are as follows. Directors were in office for this entire period unless otherwise stated.

Solomon Lew ***Chairman and Non-Executive Director***

Mr. Lew was appointed as Non-Executive Director and Chairman of Premier on 31 March 2008. Mr. Lew is a director of Century Plaza Investments Pty Ltd, the largest shareholder in Premier and was previously Chairman of Premier from 1987 to 1994.

Mr. Lew has over 50 years’ experience in the manufacture, wholesale and retailing of textiles, apparel and general merchandise, as well as property development. His success in the retail industry has been largely due to his ability to read fashion trends and interpret them for the Australasian market, in addition to his demonstrated ability in the timing of strategic investments.

Mr. Lew was a Director of Coles Myer Limited from 1985 to 2002, serving as Vice Chairman from 1989, Chairman from 1991 to 1995, Executive Chairman in 1995 and Vice Chairman in 1995 and 1996.

Mr. Lew is a member of the World Retail Hall of Fame and is the first Australian to be formally inducted.

He is also a former Board Member of the Reserve Bank of Australia and former Member of the Prime Minister’s Business Advisory Council.

Mr. Lew was the inaugural Chairman of the Mount Scopus Foundation (1987 – 2013) which supports the Mount Scopus College, one of Australia’s leading private colleges with 2000 students. He has also been the Chairman or a Director of a range of philanthropic organisations.

Dr. David M. Crean ***Deputy Chairman and Non-Executive Director***

Dr. Crean has been an Independent Non-Executive Director of Premier since December 2009, Deputy Chairman since July 2015 and is currently the Chairman of Premier’s Audit and Risk Committee (appointed August 2010).

Dr. Crean was Chairman of the Hydro Electric Corporation (Hydro Tasmania) from September 2004 until October 2014 and was also Chairman of the Business Risk Committee at Hydro Tasmania, member of the Audit Committee and Chairman of the Corporate Governance Committee.

Dr. Crean was State Treasurer of Tasmania from August 1998 to his retirement from the position in February 2004. He was also Minister for Employment from July 2002 to February 2004. He was a Member for Buckingham in the Legislative Council from 1992 to February 1999, and then for Elwick until May 2004. From 1989 to 1992 he was the member for Denison in the House of Assembly. From 1993 to 1998 he held Shadow Portfolios of State Development, Public Sector Management, Finance and Treasury.

Dr. Crean has been a Non-Executive Director and Deputy Chairman of Moonlake Investments, owner of VDL dairy farms in Tasmania from August 2016 to April 2018. He is also a Board member of the Linfox Foundation. Dr. Crean graduated from Monash University in 1976 with a Bachelor of Medicine and Bachelor of Surgery.

Timothy Antonie ***Non-Executive Director and Lead Independent Director***

Mr. Antonie was appointed to the Board of Directors on 1 December 2009. He holds a Bachelor of Economics degree from Monash University and qualified as a Chartered Accountant with Price Waterhouse. He has 20 years' experience in investment banking and formerly held positions of Managing Director from 2004 to 2008 and Senior Advisor in 2009 at UBS Investment Banking, with particular focus on large scale mergers and acquisitions and capital raisings in the Australian retail, consumer, media and entertainment sectors.

Mr. Antonie is also Chairman of Breville Group Limited and Netwealth Group Limited and is a Principal of Stratford Advisory Group. Mr. Antonie was also a Non-Executive Director of Village Roadshow Limited (retired 4 December 2019).

Sylvia Falzon ***Non-Executive Director***

Ms. Falzon was appointed to the Board of Directors on 16 March 2018. She brings to Premier an executive career that spanned over nearly 30 years in Financial Services where she held senior executive positions responsible for institutional and retail funds management businesses, both here in Australia and offshore.

As a Non-Executive Director since 2010, Ms. Falzon has experience across a range of sectors and customer driven businesses in financial services, health, aged care, e-commerce and retail. During this time, she has been involved in several business transformations, IPOs, merger and acquisitions and divestment activities. Ms. Falzon is currently an Independent Non-Executive Director of the ASX listed company Suncorp Group Limited. In the not-for-profit sector, she is the Chairman of Cabrini Australia Limited. Ms. Falzon previously served on the board of ASX listed companies Zebit Inc until 17 March 2022, Regis Healthcare until October 2021 and Perpetual Limited until October 2019.

Ms. Falzon holds a Masters Degree in Industrial Relations and Human Resource Management (Hons) from the University of Sydney and a Bachelor of Business from the University of Western Sydney. She is a Senior Fellow of the Financial Services Institute of Australasia and a Fellow of the Australian Institute of Company Directors.

Sally Herman ***Non-Executive Director***

Ms. Herman is an experienced Non-Executive Director in the fields of financial services, retail, manufacturing and property. She had a successful executive career spanning 25 years in financial services in both Australia and the US, transitioning in late 2010 to a full time career as a Non-Executive Director.

Prior to that, she had spent 16 years with the Westpac Group, running major business units in most operating divisions of the Group as well as heading up Corporate Affairs and Sustainability through the merger with St. George and the global financial crisis.

Ms. Herman sits on both listed and not-for-profit Boards, including Suncorp Group Limited, Breville Group Limited, Irongate Funds Management Limited (recently taken over by Charter Hall), and E&P Financial Group Limited (resigned November 2021). She is also a Trustee of the Art Gallery of NSW. Ms. Herman holds a Bachelor of Arts from the University of New South Wales and is a Graduate of the Australian Institute of Company Directors.

Henry D. Lanzer AM **B.COM. LLB (Melb)** ***Non-Executive Director***

Henry Lanzer AM is Managing Partner of Australian commercial law firm, Arnold Bloch Leibler. Henry has over 40 years' experience in providing legal, corporate finance and strategic advice to some of Australia's leading companies.

Mr. Lanzer was appointed to the Board of Directors in 2008. He is a Non-Executive Director of Just Group Limited, Thorney Opportunities Limited and previously the TarraWarra Museum of Art and the Burnett Institute. He is also a Life Governor of the Mount Scopus College Council. In June 2015, Mr. Lanzer was appointed as a Member of the Order of Australia.

Michael R.I. McLeod ***Non-Executive Director***

Mr. McLeod is a former Executive Director of the Century Plaza Group and has been involved with the Group since 1996 as an advisor in the areas of corporate strategy, investment and public affairs. He has been a Non-Executive Director of Premier Investments Limited since 2002 and was a Non-Executive Director of Just Group Limited from 2007 to 2013. Past experience includes the Australian Board of an international funds manager, chief of staff to a Federal Cabinet Minister and statutory appointments including as a Commission Member of the National Occupational Health and Safety Commission. He holds a Bachelor of Arts (First Class Honours and University Medal) from the University of New South Wales.

Terrence L. McCartney ***Non-Executive Director***

Mr. McCartney has had a long and successful career in retail. Mr. McCartney started at Boans Department Stores in Perth then moved to Grace Bros in Sydney. After the acquisition of Grace Bros by Myer, he relocated to the merged Department Stores Group in Melbourne within the merchandise and marketing department. His successful career within Coles Myer meant that Terry then moved to the Kmart discount department stores as Head of Merchandise and Marketing and then Managing Director. Following several years as Managing Director of Kmart Australia and New Zealand, Terry became Managing Director of Myer Grace Bros. For 5 years Terry lead year on year growth in profitability of Australia's largest department store.

Terry's experience spans the full spectrum of retailing, ranging from luxury goods in department stores to large mass merchandise discount operations. Terry has also been retained by large international accounting and legal firms as an expert witness in relation to Australian retail.

In addition to his extensive list of retail experience, he has also been an advisor to large Australian and international mining companies, prior to joining the Just Group Board in 2008. Terry lends his extensive retail and commercial expertise to the Just Group as Non-Executive Director, and by serving on a number of committees, including the Internet Steering Committee of the Group, and through various store and site visits, both locally and overseas. He is also involved in seasonal and trading performance reviews for the Group. Terry is a member of the Remuneration and Nomination Committee of Premier Investments Limited. In August 2017, he was appointed Chairman of the Remuneration and Nomination Committee.

Richard Murray ***Executive Director (Appointed as Director: 3 December 2021)***

Richard Murray commenced as Premier Retail Chief Executive Officer on 6 September 2021 and was appointed to the Premier Board as Executive Director on 3 December 2021. Richard has over 25 years' experience in retail and finance. Prior to joining Premier, Richard held the position of Group Chief Executive Officer and Executive Director at JB Hi-Fi Limited (ceased August 2021). Richard joined JB Hi-Fi as Chief Financial Officer in 2003 and took the business through the IPO process. Richard was appointed as Group CEO of JB Hi-Fi on 1 July 2014, at the age of 38. Prior to his career at JB Hi-Fi, Richard was an Associate Director in the Corporate Finance Division of Deloitte.

Richard was the founding Chairman of the Australian Retailers Association CEO Forum and he recently retired as Inaugural Chairman of the Workplace Giving Australia Leadership Initiative, which aims to encourage Australian businesses to set up Workplace Giving Programs.

Mark McInnes ***Executive Director (Resigned as Director: 19 August 2021)***

Mr McInnes was appointed Premier Retail CEO in April 2011 and was appointed to the Board in December 2012. In January 2021, Mr. McInnes resigned and commenced gardening leave on 14 August 2021 until the end of his 12-month notice period, being 15 January 2022. Mr. McInnes resigned as Executive Director of Premier effective 19 August 2021.

Directors' Report continued

COMPANY SECRETARY

Marinda Meyer

Ms. Meyer has over 19 years' experience as a practising Chartered Accountant in senior finance roles. She has both local and international experience in financial accounting and reporting, corporate governance, and administration of listed companies.

PRINCIPAL ACTIVITIES

The Group operates a number of specialty retail fashion chains within the specialty retail fashion markets in Australia, New Zealand, Asia and Europe. The Group also has significant investments in listed securities and money market deposits.

DIVIDENDS

	CENTS	$'000
Final Dividend approved for 2022	54.00	85,856
Special Dividend approved for 2022	25.00	39,748
Dividends paid in the year:		
Final for 2021 (paid on 27 January 2022)	46.00	73,137
Interim for the half-year ended 29 January 2022 (paid on 27 July 2022)	46.00	73,137

OPERATING AND FINANCIAL REVIEW

Group Overview:

Premier Investments Limited acquired a controlling interest in Just Group Limited ("Just Group"), a listed company on the Australian Securities Exchange in August 2008. Just Group is a leading specialty fashion retailer with operations in Australia, New Zealand, Asia and Europe. The Group has a portfolio of well-recognised retail brands, consisting of Just Jeans, Jay Jays, Jacqui E, Portmans, Dotti, Peter Alexander and Smiggle. Currently, these seven unique brands are trading from more than 1,100 stores across six countries, as well as through wholesale and online. The Group's key strategic growth initiatives continue to deliver results for the Group. The Group's emphasis is on a range of brands that provide diversification through breadth of target demographic and sufficiently broad appeal to enable a broad footprint. Over 90% of the product range is designed, sourced and sold under its own brands. There is a continuing investment in these brands to ensure they remain relevant to changing customer tastes and remain at the forefront of their respective target markets.

The Group's reported revenue from contracts with customers, total income and net profit before income tax for the 52 week period ended 30 July 2022 (2021: 53 week period ended 31 July 2021) are summarised below:

	CONSOLIDATED		
	52 WEEKS ENDED 30 JULY 2022 $'000	53 WEEKS ENDED 31 JULY 2021 $'000	% CHANGE
Revenue from contracts with customers	1,497,520	1,443,174	+3.8%
Total interest income	1,321	1,148	+15.1%
Total dividend income	2,449	-	+100.0%
Total other income and revenue	15,586	14,337	+8.7%
Total revenue and other income	**1,516,876**	**1,458,659**	**+4.0%**
Reported profit before income tax	392,663	379,583	+3.4%

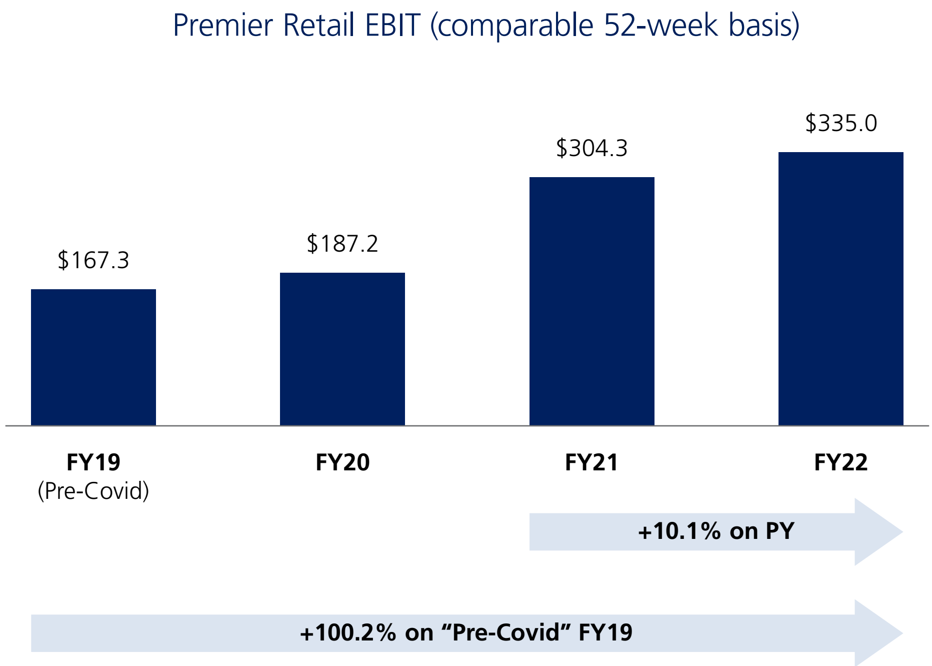
OPERATING AND FINANCIAL REVIEW (CONTINUED)

Retail Segment:

As Premier's core business, Just Group (Premier Retail) was the key contributor to the Group's operating results for the financial year. Key financial indicators for the retail segment for the 52 week period ended 30 July 2022 (2021: 53 week period ended 31 July 2021) are highlighted below:

RETAIL SEGMENT	52 WEEKS ENDED 30 JULY 2022 $'000	53 WEEKS ENDED 31 JULY 2021 $'000	% CHANGE
Revenue from contracts with customers	1,497,520	1,443,174	+3.8%
Total segment income	1,498,139	1,448,752	+3.4%
Segment net profit before income tax	353,192	352,112	+0.3%

The Retail Segment contributed $353.2 million to the Group's net profit before income tax for the 52 week period ended 30 July 2022 (2021: $352.1 million net profit before income tax for the 53 week period ended 31 July 2021). The results for the 2021 financial year included a 53rd trading week, which contributed $19.3 million in sales, and $8.9 million to the Retail Segment's earnings before interest and tax ("EBIT"). Refer to page 9 of the directors' report for a reconciliation of Premier Retail EBIT and reported Premier Retail Profit before Tax.



Premier Retail EBIT, on a comparable 52 week period, has increased 10.1% on the 2021 financial year, and has increased over 100% on a comparable pre-pandemic 52 week period EBIT in the 2019 financial year.

Over the years, Premier Retail has evolved into a multi-channel global business, growing the portfolio of 7 unique brands to each have a distinctive and competitive market position. The Group's ability to remain nimble, under the leadership of an experienced Board and highly motivated senior management team, enables us to pivot when macro-economic environments change.

Directors’ Report continued

OPERATING AND FINANCIAL REVIEW (CONTINUED)

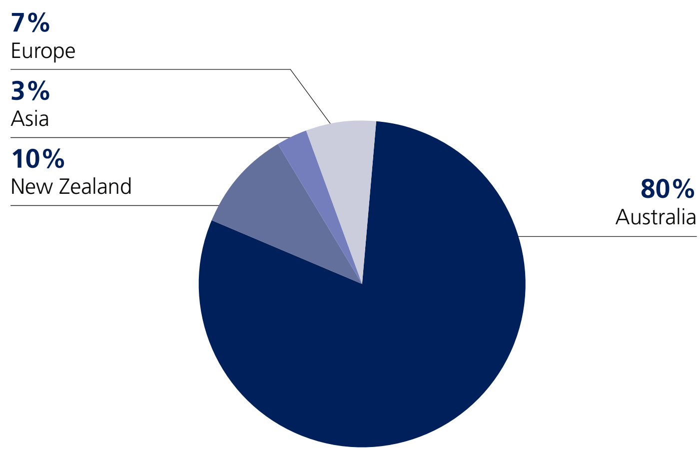
Retail Segment (continued):

Evolution of Premier Retail Sales to Customers over 10 years

FY12	FY16	FY19	FY22
Sales of $837m, trading in 4 countries and online.	Sales break through $1bn trading in 6 countries and online.	Pre-Covid: Sales of ~$1.3bn trading in 7 countries, online and global wholesale.	Sales of ~$1.5bn trading in 6 countries, online and global wholesale.

Premier Retail delivered global sales for the 2022 financial year of $1.5 billion, up 5.2% on a comparable 52 week period for the 2021 financial year. Global sales are up 17.8% on pre-pandemic sales for the 2019 financial year. Premier Retail delivered this strong sales result for the 2022 financial year despite temporary COVID-19 related retail store closures for most of the first quarter of the financial year in Australia and New Zealand.

Revenue from customers per Geographic Segment for the 52 weeks ended 30 July 2022



In addition to increased sales and EBIT, the Premier Retail increased its gross margin to 64.8% (2021: 64.3%). The strong sales and uplift in gross profit, together with operational excellence and strong cost control has delivered a record EBIT of $335.0 million, up 10.1% on the previous year (2021: $304.3 million, on a comparable 52 week period).

The Retail Segment delivered record online sales of $340.1 million for the 52 weeks ended 30 July 2022 – an increase of 14.3% on the prior year comparable 52 week period. The online channel contributed 22.7% of total group sales to customers for the period ended 30 July 2022 (2020: 20.9%). The Group is pleased to have world class customer facing websites and it will continue to make major investments in its people, its information technology, digital marketing capability and distribution centres to maximise the increasing customer preference to shop online.

Peter Alexander delivered another record sales result for the period ended 30 July 2022 of $428.5 million, up 11.4% on a record set in the prior year (2021: $384.5 million for a comparable 52 week period). The record result was driven across all Peter Alexander product categories. The Group’s decision to continuously invest in inventory, enabled Peter Alexander to be in-stock during key gift giving periods during the year – Black Friday/Cyber Monday, Christmas, Easter, Mother’s Day and Father’s Day.

Smiggle delivered global sales of $261.2 million for the 52 weeks ended 30 July 2022, an increase of 24.6% on a comparable 52 week period in 2021. The key to Smiggle’s success is children attending school, and as schools have reopened, and remained open across the global market, Smiggle sales have rebounded. During the year Smiggle continued its partner collaborations, with successful collaborations with Disney Studios, Universal Studios, BBC Studios and the Australian Football League.

Pleasingly, the Group’s five iconic Apparel Brands (Just Jeans, Jay Jays, Portmans, Dotti and Jacqui-E) delivered a combined sales result for the period ended 30 July 2022 of $807.9 million - up 12.7% on pre-pandemic sales of $671.8 million in the 2019 financial year.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Retail Segment (continued):

Premier Retail's seven iconic brands and omni-channel offer leverage synergies from its centralised sourcing and supply chain functions, as well as a centralised support centre.

The Group operates centralised distribution centres in four countries, including the Group's owned Australian Distribution Centre. These distribution centres have enabled the Group to be agile and scale up operations in response to customer shopping behaviours across all channels.

The Group prides itself on having:

- A portfolio of seven unique brands, each with a strong and distinctive competitive market position
- Omni-channel – driving seamless customer experience across all channels
- Leveraging synergies from centralised support functions
- Support from its experienced Board, and capital

Investment Segment:

The Group's balance sheet remains strong, primarily due to the significant asset holding of the investment segment. As at 30 July 2022, the Group continued to reflect its 25.62% (2021: 26.27%) shareholding in Breville Group Limited as an investment in associate, with an equity accounted value of $312.2 million (2021: $271.4 million). The fair value of the Group's interest in Breville Group Limited as determined based on the quoted market price for the shares as at 30 July 2022 was $760.3 million (2021: $1,173.5 million). Dividends received from Breville Group Limited during the year amounted to $10.4 million (2021: $12.2 million).

During the 2017 financial year, the Group acquired a strategic investment of 10.77% in Myer Holdings Limited. A further 5% was acquired during the 2021 financial year, and 4.11% was acquired during the 2022 financial year, taking the total investment to 19.88%. At the end of the 2022 financial year the fair value of this listed equity investment is reflected as $75.9 million (2021: $63.5 million). Subsequent to 30 July 2022, the Group acquired a further 2.99%, taking the total investment to 22.87%. Dividends received from Myer Holdings Limited during the year amounted to $2.4 million (2021: nil).

Premier owns its Australian Distribution Centre, as well as the global head office building of Premier Retail in Melbourne. These properties are carried at a combined written down value at 30 July 2022 of $72.7 million (2021: $74.2 million).

Directors' Report continued

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Reconciliation between Premier Retail EBIT and Reported Retail Segment Result

The Group's results are reported under Australian Accounting Standards and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB). Non-IFRS information is financial information that is presented other than in accordance with all relevant accounting standards. The Group provides these Non-IFRS financial measures to better understand key aspects of the performance and drivers of the Group's Retail Segment. The table below reconciles the Non-IFRS financial term Premier Retail EBIT to the Reported Retail Segment Result for each of the financial years:

RETAIL SEGMENT	FINANCIAL YEAR ENDED 30 JULY 2022 $'000	FINANCIAL YEAR ENDED 31 JULY 2021 $'000	FINANCIAL YEAR ENDED 25 JULY 2020 $'000	FINANCIAL YEAR ENDED 27 JULY 2019 $'000
Reported Retail Segment Operating Profit before Taxation	**353,192**	**352,112**	**165,776**	**136,667**
Add back: Interest expense (excluding AASB 16 interest on lease liabilities)	1,379	1,967	2,757	4,808
Post-AASB 16 EBIT	**354,571**	**354,079**	**168,553**	**141,475**
Adjusted for:				
Net impact of AASB 16 on results	(2,039)	(2,147)	427	-
Pre-AASB 16 EBIT, including one-off and significant items	**352,532**	**351,932**	**168,980**	**141,475**
One-off United Kingdom accelerated depreciation and associated costs	-	-	-	25,858
One-off COVID-19 impairment of store plant & equipment and associated costs	-	-	31,420	-
One-off COVID-19 net gain from settlement of cash flow hedge book	-	-	(13,207)	-
Pre-AASB 16 EBIT, excluding one-off items	**352,532**	**351,932**	**187,193**	**167,333**
Non-comparable EBIT contribution for the 53rd week in 2021	-	(8,894)	-	-
COVID-19 related rent concessions	(10,538)	(19,521)	-	-
Other Australia and New Zealand holdover rent concessions	(3,465)	(9,960)	-	-
COVID-19 United Kingdom temporary rates relief	(3,500)	(4,600)	-	-
COVID-19 United Kingdom lockdown grants	-	(4,622)	-	-
Pre-AASB 16 Premier Retail EBIT excluding significant items	**335,029**	**304,335**	**187,193**	**167,333**
Premier Retail EBIT, expressed in $' millions	**335.0**	**304.3**	**187.2**	**167.3**

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the financial year ended 30 July 2022.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

The Directors of Premier Investments Limited approved a final dividend in respect of the 2022 financial year. The total amount of the final dividend is $85,856,000 (2021: $73,137,000) which represents a fully franked dividend of 54 cents per share (2021: 46 cents per share). In addition, the Directors of Premier Investments Limited approved a special dividend in respect of the 2022 financial year. The total amount of the special dividend is $39,748,000 (2021: $nil) which represents a fully franked dividend of 25 cents per share (2021: nil cents per share). The dividends have not been provided for in the 2022 financial statements.

The Directors of Premier Investments Limited approved an on-market share buyback of up to $50 million. The on-market share buyback will be for a period of 12 months, from 18 October 2022 to 17 October 2023. The total number of shares to be purchased under the on-market share buyback will be dependent on business and market conditions and Premier may, at its discretion, vary the size of the on-market share buyback.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Certain likely developments in the operations of the Group and the expected results of those operations in financial years subsequent to the period ended 30 July 2022 are referred to in the preceding operating and financial review. No additional information is included on the likely developments in the operations of the Group and the expected results of those operations as the Directors reasonably believe that the disclosure of such information would be likely to result in unreasonable prejudice to the Group if included in this report, and it has therefore been excluded in accordance with section 299(3) of the *Corporations Act 2001*.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group's operations are not subject to any significant environmental obligations or regulations.

SHARE OPTIONS AND SHARES ISSUED DURING THE FINANCIAL YEAR

Unissued Shares:

As at the date of this report, there were 1,412,074 (2021: 673,886) unissued performance rights. Refer to the remuneration report for further details of the options outstanding in relation to Key Management Personnel.

Shares Issued as a Result of the Exercise of Options:

A total of 129,077 shares (2021: 139,524) were issued during the year pursuant to the Group's Performance Rights Plan. No other shares were issued during the year.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

To the extent permitted by law, the company indemnifies every person who is or has been a director or officer of the company or of a wholly-owned subsidiary of the company against liability for damages awarded or judgments entered against them and legal defence costs and expenses, arising out of a wrongful act, incurred by that person whilst acting in their capacity as a director or officer provided there has been no admission, or judgment, award or other finding by a court, tribunal or arbitrator which establishes improper use of position, or committing of any criminal, dishonest, fraudulent or malicious act.

The officers include the Directors, as named earlier in this report, the Company Secretary and other officers, being the executive senior management team. Details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors, and Officers, liability insurance contracts are not disclosed as such disclosure is prohibited under the terms of the contracts.

Directors' Report continued

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

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 the Directors' Report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

DIRECTOR INTERESTS IN SHARES AND RIGHTS OF THE COMPANY

At the date of this report, the interests of the Directors in the shares and performance rights of the company were:

Solomon Lew	4,437,699 ordinary shares**
Timothy Antonie	5,001 ordinary shares
Sally Herman	11,500 ordinary shares
Henry Lanzer AM	27,665 ordinary shares
Michael McLeod	28,186 ordinary shares
Richard Murray	800,000 performance rights

**Mr. Lew is an associate of Century Plaza Investments Pty. Ltd. and Metrepark Pty. Ltd (Associated Entities). The Associated Entities, collectively, have a relevant interest in 59,804,731 shares in the company. However, Mr. Lew does not have a relevant interest in the shares of the company held by the Associated Entities.

DIRECTORS' MEETINGS

The number of meetings of the Board of Directors during the financial year, and the number of meetings attended by each Director were as follows:

	BOARD MEETINGS		AUDIT AND RISK COMMITTEE		REMUNERATION AND	
DIRECTOR	MEETINGS HELD	NUMBER ATTENDED	MEETINGS HELD	NUMBER ATTENDED	MEETINGS HELD	NUMBER ATTENDED
Solomon Lew	6	6	-	-	-	-
Richard Murray *	3	3	-	1	-	-
Mark McInnes **	-	-	-	-	-	-
Timothy Antonie	6	6	4	4	3	3
David Crean	6	6	4	4	-	-
Sylvia Falzon	6	6	4	4	-	-
Sally Herman	6	6	4	4	-	-
Henry Lanzer AM	6	6	-	1	-	-
Terrence McCartney	6	6	-	2	3	3
Michael McLeod	6	6	-	-	3	3

* Mr. Murray was appointed as a Director on 3 December 2021.

** Mr. McInnes resigned as a Director on 19 August 2021.

CORPORATE GOVERNANCE STATEMENT

To view Premier's Corporate Governance Statement, please visit www.premierinvestments.com.au/about-us/board-policies.

AUDITOR INDEPENDENCE

The Directors received a copy of the Auditor's Independence Declaration in relation to the audit for this financial year and is presented on page 33.

NON-AUDIT SERVICES

The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The nature and scope of each type of non-audit service provided means that independence was not compromised.

Details of non-audit services provided by the Group's auditor, Ernst & Young, can be found in Note 31 of the Financial Report.

REMUNERATION REPORT

The Remuneration Report, which forms part of this Directors' Report, is presented from page 13.

The Directors' Report is signed in accordance with a resolution of the Board of Directors.

SLew.

Solomon Lew
Chairman
3 October 2022

Directors’ Report continued

REMUNERATION REPORT

Dear Shareholders,

As Chairman of the Remuneration and Nomination Committee, I am pleased to present Premier Investments’ remuneration report for the 52 weeks ended 30 July 2022. This report outlines, in detail, the remuneration outcomes and incentive arrangements, related to our performance.

Premier has delivered another outstanding result for shareholders, with the Group generating a net profit after tax of $285.2 million and delivering an annual dividend of 125 cents per share – the highest dividend in our history.

The Board recognises that the performance of the Group depends on the quality and dedication of our entire global workforce. Our experienced executive leadership team, which includes our executive Key Management Personnel, provide the integral backbone to the Group, delivering year-on-year growth in an increasingly competitive landscape.

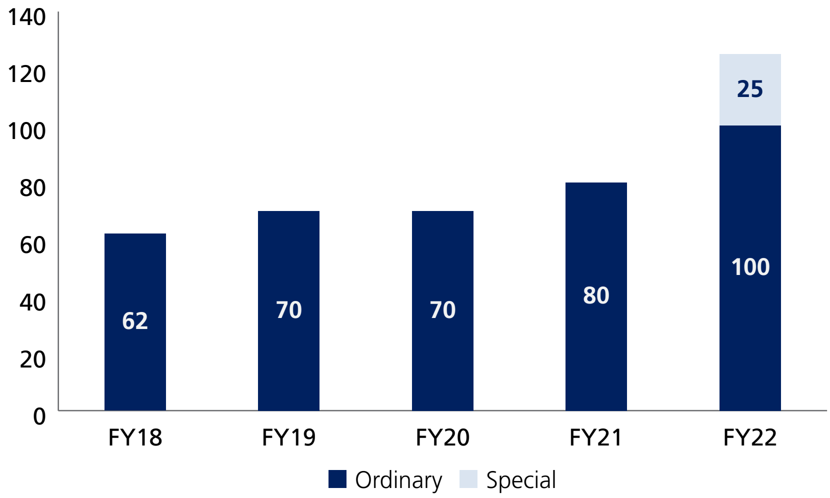
As disclosed in last year’s remuneration report, Richard Murray was appointed as Premier Retail CEO. Richard commenced with the Group on 6 September 2021. We look forward to continuing Premier Retail’s growth trajectory, both locally and globally, under the leadership of Richard, who brings significant retail experience to the Group.

COVID-19 continued to present numerous challenges for our business during the year – from lost store trading days due to mandated store closures in Australia and New Zealand, to safely navigating the return of our teams in stores and throughout our support functions. The wellbeing and safety of our global teams remain at the forefront of the Group’s decision making. We are pleased to report that today, the Group is again operating across its full store network of over 1,100 stores in Australia, New Zealand, Asia and Europe, as well as through online and wholesale.

Notwithstanding the headwinds presented by COVID-19, the Group performed strongly. This has translated into strong returns for our shareholders:

- Premier Investments Limited net profit after tax of $285.2 million, up 4.9% on the 2021 financial year, and up 167% on a ‘pre-COVID’ 2019 financial year;
- Premier Retail EBIT of $335.0 million, an increase of 10.1% on the previous financial year (52 week comparable), and an increase of 100.2% on a ‘pre-COVID’ 2019 financial year;
- Premier Retail sales to customers of $1.5 billion, up 5.2% on a comparable 52 week period in 2021, and up 17.8% on a ‘pre-COVID’ 52 week 2019 financial year;
- A full year dividend of 125 cents (ordinary and special) per share in the 2022 financial year, an increase of 56.3% on the previous financial year and the highest dividend in the Group’s history.

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



REMUNERATION REPORT (CONTINUED)

The Board believes that it is the Group's ability to respond to changing environments, through strategic planning and execution by an experienced Board and skilled management team that have led to shareholders enjoying strong financial returns. The Group is committed to ensuring that executive remuneration outcomes are explicitly linked to the overall performance and success of the Group.

The importance of attracting, retaining and rewarding a diverse senior executive team is crucial in navigating through a complex retail environment, in a world adjusting to a "new normal", living with COVID-19.

The Group encourages and supports a business leadership structure that reflects the values of equal opportunity across the Group. The Board is proud of its diverse senior executive team, whom are all well respected within the retail industry. Women represent 53% of Premier Retail's senior executive leadership team, and 75% of management positions are held by women[1]. Over 90% of the Group's workforce are women. We will continue to encourage and support a business leadership structure that reflects the values of equal opportunity across the Group.

Building on the improvements introduced in the 2021 Remuneration Report, we continuously strive to improve on executive remuneration disclosures and practices. The Remuneration Report summarises our remuneration strategies, the way in which incentives are calculated, and the connection between those strategies and the achievement of positive returns for shareholders.

Terrence McCartney
Chairman, Remuneration and Nomination Committee

[1] As per the Just Group Limited Australian Workplace Gender Equality Agency Report 2021-2022.

Directors' Report continued

REMUNERATION REPORT (AUDITED)

This remuneration report for the 52 weeks ended 30 July 2022 outlines the remuneration arrangements of the Group in accordance with the requirements of the *Corporations Act 2001* (Cth), as amended (the "Act") and its regulations. This information has been audited as required by section 308 (3C) of the Act.

The remuneration report is presented under the following headings:

1. Introduction
2. Remuneration Governance
3. Executive remuneration arrangements:
    - A. Remuneration principles and strategy
    - B. Fixed remuneration objectives
    - C. Group performance and its link to executive remuneration
    - D. Group performance and its link to STI
    - E. Group performance and its link to LTI
    - F. Detail of incentive plans
4. Remuneration framework of CEO Premier Retail, Mr. Murray
5. Executive service agreements
6. Non-Executive Director remuneration arrangements
7. Remuneration of Key Management Personnel
8. Additional disclosures relating to Rights and Shares
9. Additional disclosures relating to transactions and balances with Key Management Personnel

1. INTRODUCTION

The remuneration report details the remuneration arrangements for Key Management Personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The table below outlines the Group's KMP during the 52 weeks ended 30 July 2022. Unless otherwise indicated, the individuals were KMP for the entire financial year.

KEY MANAGEMENT PERSONNEL

(i) Non-Executive Directors

Solomon Lew	Chairman and Non-Executive Director
David Crean	Deputy Chairman and Non-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

REMUNERATION REPORT (AUDITED) (CONTINUED)

1. INTRODUCTION (CONTINUED)

KEY MANAGEMENT PERSONNEL (CONTINUED)

(ii) Executive Director

Richard Murray	Executive Director and Chief Executive Officer Premier Retail *(see note (a))*

(iii) Executives

John Bryce	Chief Financial Officer, Just Group Limited
Marinda Meyer	Company Secretary, Premier Investments Limited

(a) Mr. Murray was appointed as CEO Premier Retail effective 6 September 2021 and was appointed as an Executive Director on 3 December 2021.

Mark McInnes resigned on 15 January 2021 and commenced a period of gardening leave on 14 August 2021 until 15 January 2022. Mr. McInnes was therefore not a KMP in the 2022 financial year.

There were no other changes to the KMP after the reporting date and before the date the financial report was authorised for issue.

2. REMUNERATION GOVERNANCE

Remuneration and Nomination Committee

The Remuneration and Nomination Committee ("Committee") of the Board of Directors of the Group ("Board") comprises three Non-Executive Directors. The Committee is led by Terrence McCartney, an independent Non-Executive Director, and the majority of its members are independent Non-Executive Directors. This demonstrates an ongoing commitment to the independence of the Committee. The Committee has delegated decision-making authority for some matters related to the remuneration arrangements for KMP and is required to make recommendations to the Board on other matters.

Specifically, the Board approves the remuneration arrangements of the Chief Executive Officer Premier Retail ("CEO Premier Retail") and other executives, including awards made under the short-term incentive ("STI") and long-term incentive ("LTI") plans, following recommendations from the Committee. The Board also sets the aggregate remuneration for Non-Executive Directors (which is subject to shareholder approval) and Non-Executive Director fee levels. The Committee approves, having regard to recommendations made by the CEO Premier Retail, the level of the Group STI pool.

The Committee meets regularly. The CEO Premier Retail attends certain Committee meetings by invitation, where management input is required. The CEO Premier Retail is not present during discussions relating to his own remuneration arrangements.

Further information relating to the Committee's role, responsibilities and membership can be seen at *www.premierinvestments.com.au*.

Use of remuneration advisors

The Committee may from time to time seek external remuneration advice to ensure it is fully informed when making remuneration decisions. Remuneration advisors are engaged by, and report directly to, the Committee.

No remuneration recommendations for the purposes of the *Corporations Act 2001* were made during the 2022 financial year.

Directors' Report continued

REMUNERATION REPORT (AUDITED) (CONTINUED)

3. EXECUTIVE REMUNERATION ARRANGEMENTS

3A. Remuneration principles and strategy

For the 52 weeks ended 30 July 2022, the executive remuneration framework comprised of fixed remuneration, STI and LTI, as outlined below.

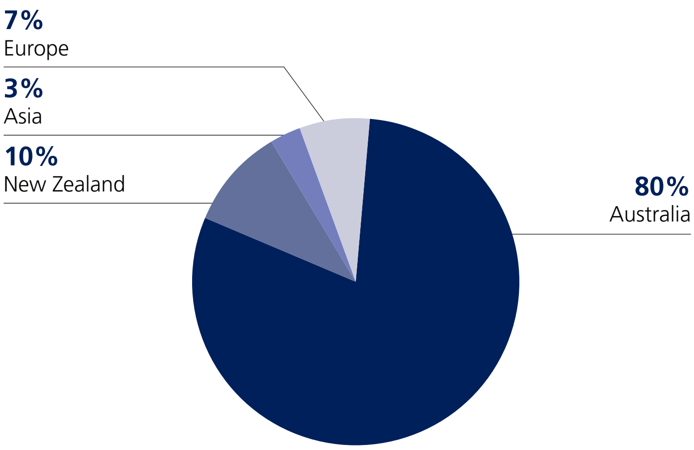
The Group aims to reward executives with a competitive level and mix of remuneration appropriate to their position and responsibilities and linked to shareholder value creation.

The Group's executive remuneration strategy is designed to attract, motivate and retain high performing individuals, and align the interests of executives with shareholders.

The Group operates mainly in the retail industry, with significant revenues earned in its traditional markets of Australia and New Zealand. The retail industry in these markets has seen marked structural change over recent years, including a prevalence in the use of new and existing technology, an increase in international competitors and significant changes in general consumer sentiment.

Complementing its strong market position in Australia and New Zealand, the Group continues to operate in international markets in Asia and Europe.

Revenue from customers per Geographic Segment for the 52 weeks ended 30 July 2022



The market for skilled and experienced executives in the retail industry continues to be increasingly competitive and international in nature. The Group's strong domestic position, as well as global reach, provides exposure to an international pool of talent and access to a diverse range of strategies to respond to industry changes.

Given these structural changes and the Group's growth focus, the Board believes it is both critical to the future success of the business, and in the best interest of shareholders, to attract, retain and develop the best possible executive team through the provision of competitive remuneration packages, and incentive arrangements which are aligned to growth and performance. The year-on-year growth in performance and shareholder value over more than a decade, is a testament to Premier's remuneration strategy.

The Group's strategic objective is to be recognised as a leader in the retail industry and build long term value for shareholders.

The Group is committed to ensuring that executive remuneration outcomes are explicitly linked to the overall performance and success of the Group. This section illustrates this link between the Group's strategic objectives and its executive remuneration strategies.

EXECUTIVE REMUNERATION ARRANGEMENTS (CONTINUED)

3A. Remuneration principles and strategy (continued)

Group Objective

To be recognised as a leader in our industry and build long-term value for our shareholders

Remuneration strategy linkages to Group objective

Align the interests of executives with shareholders

- The remuneration framework incorporates "at-risk" components, through STI and LTI plans.
- Performance is assessed against a suite of financial and non-financial measures relevant to the success of the Group and generating returns for shareholders.

Attract, motivate and retain high performing individuals

- Remuneration is competitive as compared to companies of a similar size and complexity.
- Longer-term remuneration frameworks and "at-risk" components encourage retention, development and a multi-year performance focus.

Component	Vehicle	Purpose	Link to performance
Fixed remuneration	Comprises base salary, superannuation contributions and other benefits	To provide competitive fixed remuneration with reference to the applicable role, market and relevant executive's experience.	Both the executive's performance, and the performance of the Group, are considered during regular remuneration reviews.
STI	Awarded in cash	Rewards executives for their contribution to achievement of Group and business unit annual outputs and performance outcomes.	Key financial metrics based primarily on Premier Retail's earnings before interest and taxation ("EBIT") of each business unit, as well as a suite of other internal financial and non-financial measures.
LTI	Awarded in performance rights	Rewards executives for their contribution to the creation of shareholder value over the long term.	Vesting of performance rights is dependent on both a positive total shareholder return ("TSR") and measuring against a Comparison Peer Group (defined in Section 3F of this report).
Discretionary Bonus	Awarded in cash or performance rights	Rewards executives in exceptional circumstances linked to long term shareholder outcomes.	Granted at the discretion of the Board upon recommendation of the Committee in exceptional circumstances, and when in the best interests of the Group.

Directors' Report continued

REMUNERATION REPORT (AUDITED) (CONTINUED)

3. EXECUTIVE REMUNERATION ARRANGEMENTS (CONTINUED)

3B. Fixed remuneration objectives

Fixed remuneration is reviewed by the Committee. The process consists of a review of the Group, applicable business unit and executive's individual performance, relevant comparative remuneration (both externally and internally) and, where appropriate, external advice. The Committee has access to external advice independent of management.

3C. Group performance and its link to executive remuneration

The Group is pleased to report that despite tough economic conditions, it continued to generate strong returns for shareholders. The dividends approved for the period reaffirm the confidence the Directors have in the Group's future performance and underline Premier's commitment to enhancing shareholder value through capital management and business investment.

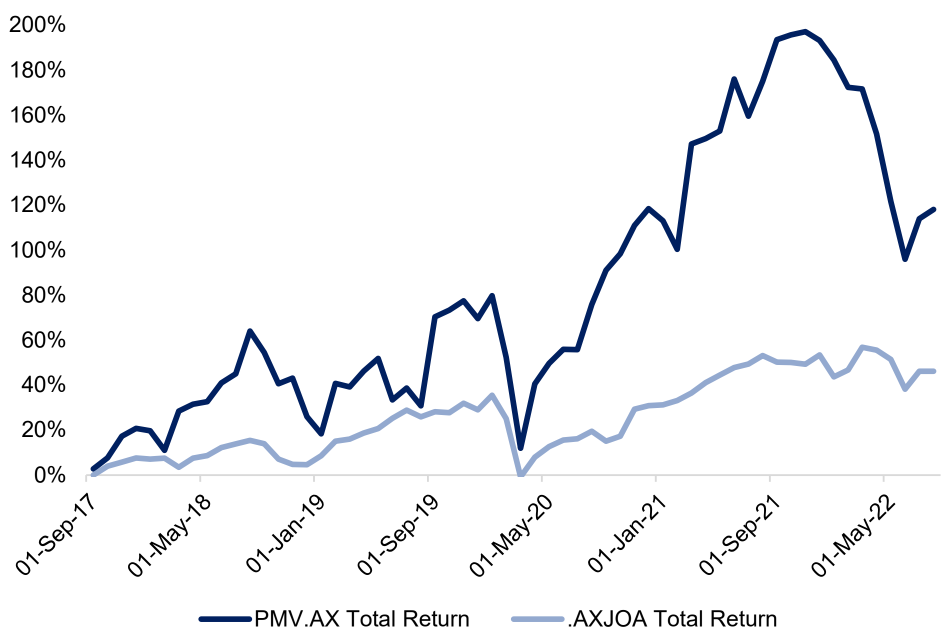
	2022	2021	2020	2019	2018
Closing share price at end of financial year	$21.04	$26.84	$17.57	$16.28	$17.35
Basic earnings per share (cents)	179.40	171.15	86.89	67.51	52.97
Dividends per share (cents)	125.0[2]	80.0	70.0	70.0	62.0
Return on equity (%)	17.0%	17.7%	10.2%	7.9%	8.5%[1]

[1] Return on Equity excludes the impact of a non-cash impairment of intangible assets in FY18 ($30 million).

[2] Comprising an ordinary dividend of 100 cents per share, and a special dividend of 25 cents per share.

The below chart illustrates the total return of the Premier share price against the S&P/ASX200 Accumulation Index, over the past 5 years, between 2017 and 2022.

Premier share price total return against ASX200 accumulation index - 5 years

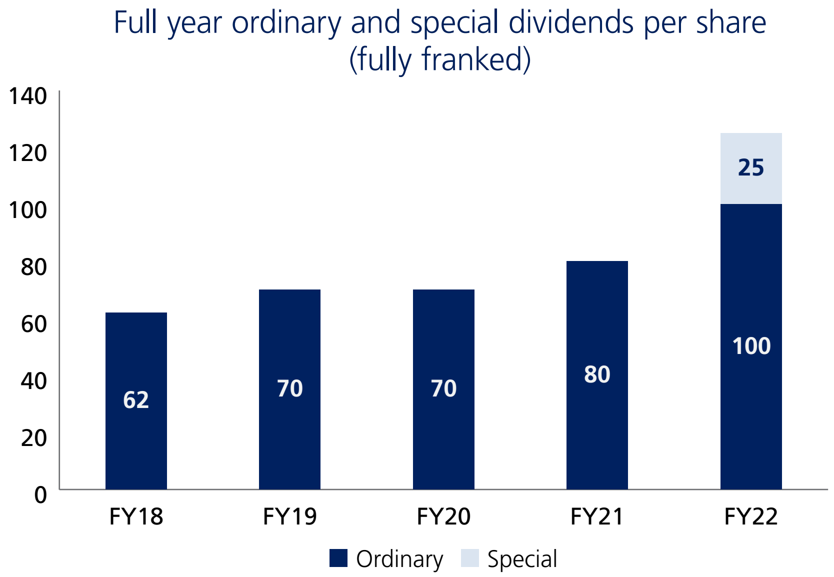


REMUNERATION REPORT (AUDITED) (CONTINUED)

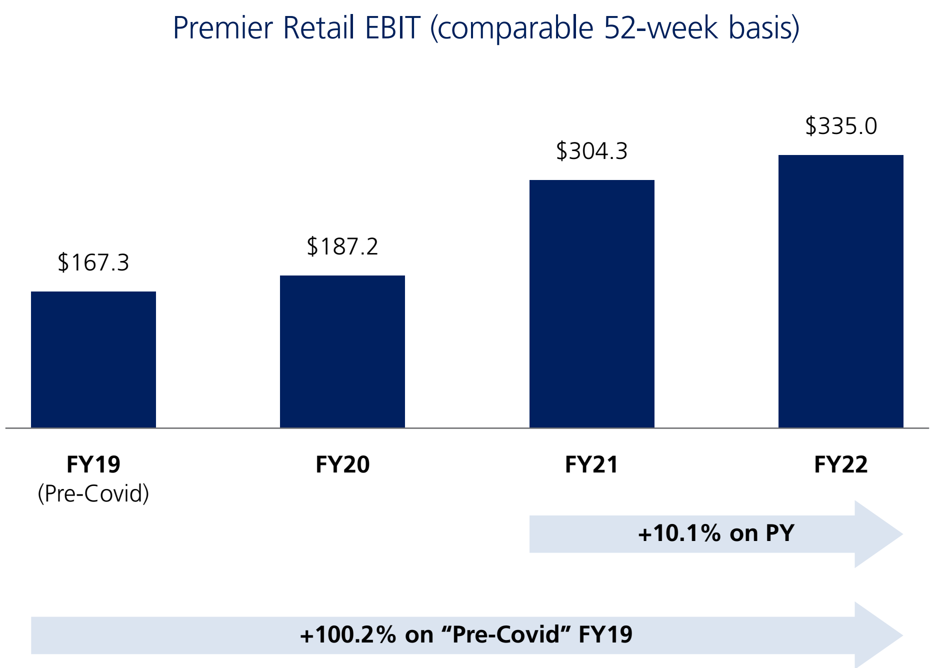
3. EXECUTIVE REMUNERATION ARRANGEMENTS (CONTINUED)

3C. Group performance and its link to executive remuneration (continued)

The below chart illustrates full year ordinary and special dividends per share (fully franked) over a 5 year period:



Premier Retail achieved another outstanding result in FY22, with Premier Retail EBIT of $335.0 million, an increase of 10.1% on a comparable 52 week period in FY21. Notably, Premier Retail's FY22 EBIT is up 100.2% on a "Pre-COVID" FY19 EBIT of $167.3 million. The following chart shows Premier Retail's EBIT for the past 4 years.



Note: Please refer to page 9 of the Directors' Report for a reconciliation between Premier Retail EBIT (excluding one-off and significant items) and statutory reported operating profit before tax for the Retail Segment.

REMUNERATION REPORT (AUDITED) (CONTINUED)

3. EXECUTIVE REMUNERATION ARRANGEMENTS (CONTINUED)

3D. Group performance and its link to STI

STI payment outcomes are primarily driven by Premier Retail's EBIT growth.

For the 2022 financial year, the Group provided Mr. Murray with an STI opportunity equivalent to between 37.5% and 75% of his fixed remuneration (pro-rata), subject to the achievement of performance hurdles. The Board determined that the 2022 financial year should be based on growth of Premier Retail EBIT, achieving growth of 10.1% on FY21. Mr Murray is therefore entitled to an STI payment of $1,347,945, which has been reflected as part of his remuneration in section 7. The Board intends to continuously evaluate the most appropriate STI performance hurdles for future years, ensuring that the STI component rewards the achievement of metrics most appropriate to the growth of the Group in the relevant year.

For the 2022 financial year, Mr. Bryce's STI payment of $275,000 was in line with hurdles and qualifiers in relation to his 2022 financial year STI plan. This includes the achievement of Premier Retail EBIT. This STI payment is reflected as part of Mr. Bryce's remuneration for the 2022 financial year in section 7, however payment will occur in FY23.

For the 2021 financial year, Mr. Bryce's STI payment of $237,446 was in line with hurdles and qualifiers in relation to his 2021 financial year STI plan. This includes the achievement of Premier Retail EBIT. This STI payment is reflected as part of Mr. Bryce's remuneration for the 2021 financial year in section 7, however payment occurred in FY22.

3E. Group performance and its link to LTI

The performance measure which drives LTI vesting is dependent on an absolute test, being a positive Premier TSR performance and a relative test, being a comparison against the Comparison Peer Group (as defined in section 3F of this report).

The table below illustrates the outcomes of the TSR testing performed during the 2022 financial year in relation to KMP. Due to Premier's strong share price performance over the past three years, where positive TSR meant the absolute test was met and the award was eligible for testing, the Group's relative performance was at the 83.9th percentile against the peer group. This resulted in a vesting outcome of 100%.

Testing Period	Share price at start of testing period	Share price at end of testing period	Dividends paid (fully franked)	TSR percentage	TSR percentile	Number of Performance Rights tested for KMP
1 Oct 2018 to 30 Sept 2021	$18.18	$30.36	$2.07	78.79%	83.9	6,188

Mr. Murray's LTI arrangements were not eligible for testing in the 2022 financial year.

3F. Detail of incentive plans

Short term incentive ("STI")

The Group operates an annual STI program which is awarded subject to the attainment of clearly defined financial and non-financial Group and business unit measures.

Who participates?	Executives who have served a minimum of nine months.
How is STI delivered?	Cash.
What is the STI opportunity?	Executives have an STI opportunity of between 0% and 100% of their fixed remuneration.

3. EXECUTIVE REMUNERATION ARRANGEMENTS (CONTINUED)

3F. Detail of incentive plans (continued)

Short term incentive ("STI") (continued)

What are the applicable financial performance measures?	STI payments awarded to each executive are explicitly aligned to the key value drivers of Premier Retail, such that rewards will only be payable when the following criteria have been met: • budgeted EBIT of Premier Retail has been achieved and an incentive pool has been created; • the executive receives a performance appraisal on target or above; • the executive's minimum performance outcomes have been achieved (hurdle); and • the executive's key performance indicators ("KPIs") have been met (qualifiers). The financial performance measures are chosen with reference to the strategic objective to promote both short term success and provide a framework for delivering long term value. The hurdle criteria are designed to ensure STI outcomes are aligned to the creation of shareholder value. If the hurdles are not met, the STI is not payable. The qualifier criteria aligns the individual activities and focus of the executive to creating shareholder value. Each executive is set multiple KPIs covering financial, non-financial, Group and business unit measures of performance. The KPIs are quantifiable and weighted according to their value. The budgeted EBIT for each year is expected to incorporate growth on the previous year. As such, in a year in which STI payments are made, executives must exceed the actual result in the prior year to achieve an STI in the following year. This mechanism ensures the STI scheme continues to build shareholder returns over time.
What are the applicable non-financial performance measures?	The award of an STI is also dependent on the executive achieving individual aligned non-financial performance indicators, such as: • retention of existing customers through outstanding customer service; • implementation of key growth initiatives; • demonstrated focus on a continuous improvement in safety performance; and • demonstrated focus on the growth and development of leadership and team talent to encourage leadership succession.
How is performance assessed?	After the end of the financial year, following consideration of the financial and non-financial performance indicators, the Committee obtains input from the CEO Premier Retail in relation to the amount of STI to be paid to eligible executives. The Committee then provides its recommendations to the Just Group Board for approval. The provision of any STI payments is subject to the sole discretion of the Chairman.

REMUNERATION REPORT (AUDITED) (CONTINUED)

3. EXECUTIVE REMUNERATION ARRANGEMENTS (CONTINUED)

3F. Detail of incentive plans (continued)

Long-term incentive ("LTI")

Premier's LTI plan seeks to create shareholder value over the long term by aligning executive remuneration with the Group's strategic objectives.

Prior to the 2020 financial year, LTI performance rights were granted to executives annually and eligible to vest three years from the date of the grant. During the 2020 financial year, certain amendments were made to LTI performance rights granted to executives, which have been described in more detail below. Refer to section 4 for further details surrounding Mr Murray's LTI arrangements.

<table>
<tr><td>Who participates?</td><td>Executives.</td></tr>
<tr><td>How is LTI delivered?</td><td>Performance rights.</td></tr>
<tr><td>How often are grants made?</td><td>One grant over multiple years, as opposed to the pre-2020 practice of annual grants.</td></tr>
<tr><td>What are the performance measures?</td><td>LTI rights awarded to each executive are subject to a two-stage performance test - an absolute and relative test - based on Premier's TSR. Broadly, TSR is the percentage growth achieved from an investment in ordinary shares over the relevant testing period (assuming all dividends are reinvested).
The two-stage performance measure approach ensures that the LTI plan operates as a key driver for performance whilst also providing an incentive to executives.
The absolute test requires Premier to achieve a positive TSR over the testing period. If the TSR is negative over the testing period, then the performance rights lapse.
If the TSR is positive over the testing period, the relative test is undertaken, which compares Premier's TSR with the S&P/ASX200 excluding overseas companies and companies classified in the Energy or Materials sector ("Comparison Peer Group"). The Comparison Peer Group represents over 100 companies in the ASX200, which reflects the Group's competitors for both capital and talent. The Comparator Peer Group consists of ASX200 companies, including companies within the consumer discretionary, consumer staple and information technology sectors.
Premier's performance against the Comparison Peer Group measure is determined according to its ranking against the Comparison Peer Group over the performance period. The vesting schedule is as follows:
<table>
<tr><td>Target</td><td>Conversion ratio of rights to shares available to vest under the TSR performance condition</td></tr>
<tr><td>Below 50th percentile</td><td>0%</td></tr>
<tr><td>50th percentile</td><td>50%</td></tr>
<tr><td>Between 50th and 75th percentile</td><td>Pro Rata</td></tr>
<tr><td>75th percentile and above</td><td>100%</td></tr>
</table>
</td></tr>
</table>

3. EXECUTIVE REMUNERATION ARRANGEMENTS (CONTINUED)

3F. Detail of incentive plans (continued)

Long-term incentive ("LTI") (continued)

What are the performance measures (continued)?	The absolute test (or gateway) ensures that shareholders and executives are aligned in the goal of absolute wealth creation. The relative test provides alignment between comparative shareholder return and reward for executives. The performance rights under each tranche will lapse if the applicable performance hurdles are not met (unless otherwise determined by the Board in its absolute discretion). Premier considers the suitability of the above performance conditions on a regular basis.
How is performance assessed?	TSR performance is calculated by an independent external advisor at the end of each performance period. Section 8 of this report, titled "Additional disclosures relating to rights and shares", provides details of performance rights granted, vested, exercised and lapsed during the year.
When does the LTI vest?	For rights issued in the most recent grant (2020), the performance rights will vest in accordance with the following schedule: Tranche A: LTI rights will be tested for vesting from 1 May 2020 to 1 October 2022 (being the 1st Vesting Date). Tranche B: LTI rights will be tested for vesting from 1 May 2020 to 1 October 2023 (being the 2nd Vesting Date). Tranche C: LTI rights will be tested for vesting from 1 May 2020 to 1 May 2024 (being the 3rd Vesting Date). Performance rights have no opportunity to be re-tested.
How are grants treated on termination?	Generally, all rights (whether vested or unvested) lapse and terminate on cessation of employment.
May participants enter into hedging arrangements?	Executives are prohibited from entering into transactions to hedge or limit the economic risk of the securities allocated to them under the LTI scheme, either before vesting or after vesting while the securities are held subject to restriction. Executives are only able to hedge securities that have vested but continue to be subject to a trading restriction and a seven-year lock, with the prior consent of the Board. No employees have any hedging arrangements in place.
Are there restrictions on disposals?	Once rights have been allocated, disposal of performance shares is subject to restrictions whereby Board approval is required to sell shares granted within seven years under the LTI plan.
Do participants receive distributions or dividends on unvested LTI grants?	Participants do not receive distributions or dividends on unvested LTI grants.

REMUNERATION REPORT (AUDITED) (CONTINUED)

4. REMUNERATION OF CEO PREMIER RETAIL, MR. MURRAY

On 28 April 2021, Premier announced the appointment of Mr. Richard Murray as CEO Premier Retail, commencing 6 September 2021 ("Commencement Date"). The material terms of Mr. Murray's employment agreement are set out below and in section 5.

The Board believes that the strong financial returns enjoyed by Premier shareholders stem, in large part, from the strategic appointment and retention of high calibre key management personnel. The key principles guiding the Board's remuneration framework for the CEO Premier Retail are based on a fair and competitive reward for a global, growing business, whilst aligning the reward to the creation of shareholder value in the short and long-term. The Board recognises that a mix of fixed and variable compensation encourages retention, growth and a multi-year performance focus.

Mr. Murray's remuneration for the 2022 financial year consisted of the following components:

- Annual fixed remuneration: $2,000,000 (pro-rated for part-year service)
- An STI opportunity of between 37.5% and 75% of fixed remuneration, subject to achievement of performance hurdles and other conditions (pro-rated for part-year service). *Refer to section 3D for outcomes*
- Once-off equity rights grant *(refer below for further information)*
- LTI performance rights grant *(refer below for further information)*

Mr. Murray's once-off long-term equity rights arrangements

At Premier's 2021 Annual General Meeting of shareholders held on 2 December 2021, shareholders approved the granting of 200,000 performance rights to Mr Murray, split into 4 equal tranches, as a once-off equity rights grant. The performance rights were granted at no cost to Mr. Murray. The Board believed that it was appropriate to make a one-off equity grant to Mr. Murray upon appointment which would allow him to build a meaningful shareholding in the Company to align his interest to that of Premier's shareholders, and in recognition of the incentives forfeited at his previous employer as a result of cessation of employment. The one-off rights under each tranche will lapse if the applicable service condition for each tranche is not met.

Each tranche of the once-off equity rights will be tested for vesting as follows:

- Tranche A – 50,000 performance rights, vesting on 6 September 2022 *(1 year after the Commencement Date)*
- Tranche B – 50,000 performance rights, vesting on 6 September 2023 *(2 years after the Commencement Date)*
- Tranche C – 50,000 performance rights, vesting on 6 September 2024 *(3 years after the Commencement Date)*
- Tranche D – 50,000 performance rights, vesting on 6 September 2025 *(4 years after the Commencement Date)*

In accordance with AASB 2 *Share-based Payment* accounting, the cost of the retention rights is recognised over the testing periods. The retention rights expense recognised in section 7 reflects the accounting value, calculated in accordance with AASB 2.

Mr. Murray's LTI arrangements

At Premier's 2021 Annual General Meeting of shareholders held on 2 December 2021, shareholders also approved the granting of 600,000 performance rights to Mr Murray, split into 4 equal tranches, as a long-term incentive performance rights grant. The performance rights were granted at no cost to Mr. Murray. Mr. Murray will not be entitled to any additional performance rights for the first four years of his employment.

The performance rights granted will vest in four equal tranches subject to the achievement of both an absolute and relative TSR test. These tests are consistent with those described in Section 3F. No value will be received by Mr. Murray if the performance rights lapse prior to the vesting date.

REMUNERATION REPORT (AUDITED) (CONTINUED)

4. REMUNERATION OF CEO PREMIER RETAIL, MR. MURRAY (CONTINUED)

Mr. Murray's LTI arrangements (continued)

Each tranche of performance rights will be tested against the TSR performance measure over different testing periods, as follows:

- Tranche A – 150,000 performance rights, tested for vesting from 27 April 2021 to 1 October 2024
- Tranche B – 150,000 performance rights, tested for vesting from 27 April 2021 to 1 October 2025
- Tranche C – 150,000 performance rights, tested for vesting from 27 April 2021 to 1 October 2026
- Tranche D – 150,000 performance rights, tested for vesting from 27 April 2021 to 1 October 2027

(each date being a "Vesting Date").

The share price baseline for each tranche was $26.40, which was the volume weighted average share price ("VWAP") of the ordinary shares on the ASX for the 30 day period ended 27 April 2021, being the trading date immediately prior to the public announcement of Mr Murray's appointment. Premier's TSR will be calculated based on the percentage growth achieved from the share price baseline of $26.40 to the share price on the relevant Vesting Date.

In accordance with AASB 2 *Share-based Payment* accounting, the cost of the performance rights is recognised over the testing periods. The LTI expense recognised in section 7 reflects the accounting value, calculated in accordance with AASB 2.

5. EXECUTIVE SERVICE AGREEMENTS

Remuneration and other terms of employment for KMP and other executives are formalised in written service agreements (with the exception of Ms. Meyer, whose relevant terms of employment are set out below). Material provisions of the service agreements are set out below:

	Start date	**Term of agreement**	**Review period**	**Notice period required from Premier**	**Notice period required from employee**
Mr. Murray	6 Sept 2021	Ongoing	Annual	12 months	12 months
Mr. Bryce	13 Dec 2016	Ongoing	Annual	12 months	12 months
Ms. Meyer	4 Feb 2019	Ongoing	Annual	12 months	12 months

6. NON-EXECUTIVE DIRECTOR REMUNERATION ARRANGEMENTS

Determination of fees and maximum aggregate Non-Executive Director Remuneration

The Board seeks to set Non-Executive Director fees at a level which provides the Group with the ability to attract and retain Non-Executive Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

The Group's constitution and the ASX listing rules specify that the Non-Executive Director maximum aggregate remuneration shall be determined from time to time by a general meeting. The most recent determination of this kind was at the 2016 Annual General Meeting held on 2 December 2016 when shareholders approved an aggregate remuneration of an amount not exceeding $1,500,000 per year.

REMUNERATION REPORT (AUDITED) (CONTINUED)

6. NON-EXECUTIVE DIRECTOR REMUNERATION ARRANGEMENTS (CONTINUED)

The Chairman of the Group, consistent with his past practice, has declined to accept any remuneration for his role as a director or for his role on any committees.

Fee policy

Non-Executive Director's fees consist of base fees and committee fees. The payment of committee fees recognises the additional time commitment required by Non-Executive Directors who serve on Board committees. Effective 1 August 2021, Premier increased Non-Executive Director base fees by $20,000 each.

Non-Executive Directors may be reimbursed for expenses reasonably incurred in attending to the Group's affairs. Non-Executive Directors do not participate in any incentive programs. Premier has not established any schemes for retirement benefits for Non-Executive Directors (other than superannuation).

7. REMUNERATION OF KEY MANAGEMENT PERSONNEL (KMP)

Details of the nature and amount of each element of compensation for services for KMP of the Group related to the financial year are as follows:

	Short-term		Post-employment	Share based			
2022	Salary/Fee/ Allowances	Cash	Superannuation	Long-term performance rights	Retention rights	Total	Performance related
	$	$	$	$	$	$	%
Non-Executive Directors							
Mr. S. Lew	-	-	-	-	-	-	-
Mr. T. Antonie	160,000	-	-	-	-	160,000	-
Dr. D. Crean	181,750	-	18,250	-	-	200,000	-
Ms. S. Falzon	140,000	-	-	-	-	140,000	-
Ms. S Herman	140,000	-	-	-	-	140,000	-
Mr. H. D. Lanzer[1]	140,000	-	-	-	-	140,000	-
Mr. T.L. McCartney	360,000	-	-	-	-	360,000	-
Mr. M. R. I. McLeod	144,150	-	15,850	-	-	160,000	-
Total Non-Executive Directors	**1,265,900**	**-**	**34,100**	**-**	**-**	**1,300,000**	**-**
Executives							
Mr. R. Murray[2]	1,783,808	1,347,945	21,748	1,913,398[3]	2,507,435[3]	7,574,334	76%
Mr. J. Bryce[4]	526,288	275,000	23,712	70,594	-	895,594	39%
Ms. M. Meyer	336,791	100,000	23,712	-	-	460,503	22%
Total executives	**2,646,887**	**1,722,945**	**69,172**	**1,983,992**	**2,507,435**	**8,930,431**	-
TOTAL 2022	**3,912,787**	**1,722,945**	**103,272**	**1,983,992**	**2,507,435**	**10,230,431**	-

[1] Mr. Lanzer's director's fees were paid to Arnold Bloch Leibler.
[2] Mr. Murray commenced as Premier Retail CEO on 6 September 2021.
[3] Refer to section 3 for information relating to the STI payment for Mr. Murray. Refer to section 4 for further information on Mr. Murray's LTI rights and once-off long-term equity rights arrangements. The share based expenses stated in this table reflect the accounting expense as calculated under AASB 2 *Share-based payments*.
[4] Refer to section 3 for further information relating to the STI payment for Mr. Bryce.

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Directors' Report continued

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. REMUNERATION OF KMP (CONTINUED)

2021	Short-term Salary/Fee/ Allowances $	Cash $	Post-employment Superannuation $	Share based Long-term incentives $	Total $	Performance related %
Non-Executive Directors						
Mr. S. Lew	-	-	-	-	-	-
Mr. T. Antonie	140,000	-	-	-	140,000	-
Dr. D. Crean	164,321	-	15,679	-	180,000	-
Ms. S. Falzon	120,000	-	-	-	120,000	-
Ms. S Herman	120,000	-	-	-	120,000	-
Mr. H. D. Lanzer[1]	120,000	-	-	-	120,000	-
Mr. T.L. McCartney	340,000	-	-	-	340,000	-
Mr. M. R. I. McLeod	115,000	-	25,000	-	140,000	-
Total Non-Executive Directors	**1,119,321**	**-**	**40,679**	**-**	**1,160,000**	**-**
Executives						
Mr. M. McInnes[2]	2,725,000	2,750,000	25,000	-	5,500,000	50%
Mr. J. Bryce[3]	463,492	237,466	21,850	89,054	811,862	40%
Ms. M. Meyer	341,500	75,000	21,850	-	438,350	17%
Total executives	**3,529,992**	**3,062,466**	**68,700**	**89,054**	**6,750,212**	-
TOTAL 2021	**4,649,313**	**3,062,466**	**109,379**	**89,054**	**7,910,212**	-

[1] Mr. Lanzer's director's fees were paid to Arnold Bloch Leibler.
[2] Mr. McInnes commenced gardening leave on 14 August 2021 until 15 January 2022. As such, Mr. McInnes was not considered a KMP for the 2022 financial year.
[3] Refer to section 3 for further information relating to the STI payment for Mr. Bryce.

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8. ADDITIONAL DISCLOSURES RELATING TO RIGHTS AND SHARES OF KMP

a) Rights awarded, vested and lapsed during the year:

The table below discloses the number of performance rights granted to KMP as remuneration for the financial year ended 30 July 2022, as well as the number of rights vested and lapsed during the year:

		Terms and conditions				
2022	**Description**	**Rights granted during the year No.**	**Grant date**	**Fair value per right at grant date $**	**Expiry and Exercise date**	**Rights vested No.**
Mr. R. Murray	Once-off equity rights	200,000	2-Dec-21	$27.25	-	-
	Performance rights	600,000	2-Dec-21	$17.40	-	-
Mr. J. Bryce	Performance rights	-	19-Feb-18	-	-	6,188

No rights lapsed during the financial year ended 30 July 2022.

b) Value of rights awarded, exercised and lapsed during the year:

2022	Description	Value of rights granted during the year $	Value of rights exercised during the year $	Remuneration consisting of rights for the year %
Mr. R. Murray	Once-off equity rights	5,449,500	-	
	Performance rights	10,437,000	-	58%
Mr. J. Bryce	Performance rights	-	189,682	8%

There were no alterations to the terms and conditions of rights awarded as remuneration since their award date. The value of rights exercised during the year represent the intrinsic value of the rights based on the share price on the relevant day of vesting.

c) Shares issued on exercise of rights:

2022	Shares issued No	Paid per share $	Unpaid per share $
Mr. J. Bryce	6,188	-	-

There were no alterations to the terms and conditions of rights awarded as remuneration since their award date.

d) Rights holdings of KMP:

2022	Balance at 31 July 2021	Granted as remuneration	Rights exercised	Rights lapsed	Balance at 30 July 2022 (not exercisable)
Mr. R. Murray	-	800,000	-	-	800,000
Mr. J. Bryce	31,736	-	(6,188)	-	25,548

Rights granted to key management personnel were made in accordance with the provisions of the Group's Performance Rights Plan.

Directors' Report continued

REMUNERATION REPORT (AUDITED) (CONTINUED)

8. ADDITIONAL DISCLOSURES RELATING TO RIGHTS AND SHARES OF KMP (CONTINUED)

e) Number of Ordinary Shares held in Premier Investments Limited by KMP:

2022	Balance at 31 July 2021	Movement in shareholdings	Balance at 30 July 2022
NON-EXECUTIVE DIRECTORS			
Mr. S. Lew *	4,437,699	-	4,437,699
Mr. T. Antonie	5,001	-	5,001
Dr. D.M. Crean	-	-	-
Ms. S. Falzon	-	-	-
Ms. S. Herman	11,500	-	11,500
Mr. H.D. Lanzer	27,665	-	27,665
Mr. T.L. McCartney	-	-	-
Mr. M.R.I. McLeod	28,186	-	28,186
EXECUTIVES			
Mr. R. Murray	-	-	-
Mr. J. Bryce	8,713	6,188	14,901
Ms. M. Meyer	-	-	-
TOTAL	**4,518,764**	**6,188**	**4,524,952**

* Mr. Lew is an associate of Century Plaza Investments Pty. Ltd. and Metrepark Pty. Ltd (Associated Entities). The Associated Entities, collectively, have a relevant interest in 59,804,731 (2021: 59,804,731) shares in the company. However, Mr. Lew does not have a relevant interest in the shares in the company held by the Associated Entities.

9. ADDITIONAL DISCLOSURES RELATING TO TRANSACTIONS AND BALANCES WITH KMP AND THEIR RELATED PARTIES

Mr. Lanzer is the managing partner of the legal firm Arnold Bloch Leibler. Group companies use the services of Arnold Bloch Leibler from time to time. Legal services totalling $1,479,010 (2021: $2,809,669), including Mr. Lanzer's Director fees, GST and disbursements were invoiced by Arnold Bloch Leibler to the Group, with $114,909 (2021: $544,387) remaining outstanding at year-end. The fees paid for these services were at arm's length and on normal commercial terms.

Mr. Lanzer is a director of Loch Awe Pty Ltd. During the year, lease payments totalling $388,556 (2021: $42,158) including GST was paid to Loch Awe Pty Ltd, with $nil outstanding rent payments at year-end (2021: $177,852). The payments were at arm's length and on normal commercial terms.

Mr. Lew is a director of Voyager Distributing Company Pty Ltd. During the year, purchases totalling $19,597,245 (2021: $22,990,422) including GST have been made by Group companies from Voyager Distributing Co. Pty Ltd, with $4,154,029 (2021: $9,843,740) remaining outstanding at year-end. The purchases were all at arm's length and on normal commercial terms.

Mr. Lew is a director of Century Plaza Trading Pty. Ltd. Premier and Century Plaza Trading Pty Ltd are parties to a Services Agreement to which Century Plaza Trading agrees to provide certain administrative services to the Company to the extent required and requested by Premier. Premier is required to reimburse Century Plaza Trading for costs it incurs in providing the Company with the services under the Service Agreement. Premier reimbursed a total of $440,000 (2021: $561,000) costs including GST incurred by Century Plaza Trading Pty Ltd, with $198,000 (2021: $nil) remaining outstanding at year-end.

9. ADDITIONAL DISCLOSURES RELATING TO TRANSACTIONS AND BALANCES WITH KMP AND THEIR RELATED PARTIES (CONTINUED)

Amounts recognised in the financial report at the reporting date in relation to other transactions:

i) Amounts included within Assets and Liabilities

	2022 $'000
Current Liabilities	
Trade and other payables	4,467

ii) Amounts included within Profit or Loss

	2022 $'000
Expenses	
Purchases/ Cost of goods sold	18,005
Lease rental expense	353
Legal fees	1,345
Other expenses	440
Total expenses	20,143

Auditor’s Independence Declaration

Building a better working world

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Auditor’s independence declaration to the directors of Premier Investments Limited

As lead auditor for the audit of the financial report of Premier Investments Limited for the financial year ended 30 July 2022, 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 audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

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

Ernst & Young

Ernst & Young

Glenn Carmody
Partner
3 October 2022

Statement of Comprehensive Income

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021

	NOTES	CONSOLIDATED 2022 $'000	CONSOLIDATED 2021 $'000
Revenue from contracts with customers	4	1,497,520	1,443,174
Other revenue	4	3,967	1,422
Total revenue		1,501,487	1,444,596
Other income	4	15,389	14,063
Total revenue and other income		1,516,876	1,458,659
Changes in inventories		(527,721)	(515,271)
Employee expenses		(350,664)	(334,818)
Lease rental (expenses) benefits	5	(21,239)	7,544
Depreciation and impairment of non-current assets	5	(166,176)	(178,258)
Advertising and direct marketing		(22,233)	(18,510)
Finance costs	5	(8,862)	(11,574)
Other expenses		(54,403)	(52,086)
Total expenses		(1,151,298)	(1,102,973)
Share of profit of associate	20	27,085	23,897
Profit from continuing operations before income tax		392,663	379,583
Income tax expense	6	(107,489)	(107,743)
Net profit for the period attributable to owners		**285,174**	**271,840**
Other comprehensive income (loss)			
Items that may be reclassified subsequently to profit or loss			
Net (loss) gain on cash flow hedges	24	(6,166)	12,568
Foreign currency translation	24	(3,092)	802
Net movement in other comprehensive income (loss) of associates	24	8,895	(3,782)
Income tax on items of other comprehensive loss (income)	6	1,850	(3,772)
Other comprehensive income which may be reclassified to profit or loss in subsequent periods, net of tax		**1,487**	**5,816**
Items not to be reclassified subsequently to profit or loss			
Net fair value (loss) gain on listed equity investment	24	(2,673)	28,820
Income tax on items of other comprehensive loss (income)	6	802	(8,646)
Other comprehensive (loss) income not to be reclassified to profit or loss in subsequent periods, net of tax		**(1,871)**	**20,174**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS		**284,790**	**297,830**
Earnings per share from continuing operations attributable to the ordinary equity holders of the parent:			
- basic, profit for the year (cents per share)	7	179.40	171.15
- diluted, profit for the year (cents per share)	7	178.16	170.39

The accompanying notes form an integral part of this Statement of Comprehensive Income.

Statement of Financial Position

As at 30 July 2022 and 31 July 2021

	NOTES	CONSOLIDATED 2022 $'000	2021 $'000
ASSETS			
Current assets			
Cash and cash equivalents	21	471,273	523,356
Trade and other receivables	9	11,026	9,490
Inventories	10	224,392	208,760
Other financial instruments	25	87	7,073
Other current assets	11	10,299	10,326
Total current assets		717,077	759,005
Non-current assets			
Property, plant and equipment	17	125,313	137,798
Right-of-use assets	12	195,558	167,087
Intangible assets	18	827,227	827,004
Deferred tax assets	6	51,426	55,494
Listed equity investment at fair value	19	75,932	63,462
Investment in associate	20	312,201	271,372
Total non-current assets		1,587,657	1,522,217
TOTAL ASSETS		**2,304,734**	**2,281,222**
LIABILITIES			
Current liabilities			
Trade and other payables	13	143,454	164,269
Income tax payable		31,974	58,218
Interest-bearing liabilities	22	-	69,000
Lease liabilities	14	158,290	159,050
Provisions	15	44,505	45,610
Other financial instruments	25	-	815
Other current liabilities	16	16,129	15,120
Total current liabilities		394,352	512,082
Non-current liabilities			
Interest-bearing liabilities	22	69,000	77,834
Deferred tax liabilities	6	71,908	68,319
Lease liabilities	14	80,991	78,435
Provisions	15	10,964	11,421
Other non-current liabilities	16	-	226
Total non-current liabilities		232,863	236,235
TOTAL LIABILITIES		**627,215**	**748,317**
NET ASSETS		**1,677,519**	**1,532,905**
EQUITY			
Contributed equity	23	608,615	608,615
Reserves	24	(4,287)	(10,001)
Retained earnings		1,073,191	934,291
TOTAL EQUITY		**1,677,519**	**1,532,905**

The accompanying notes form an integral part of this Statement of Financial Position.

Statement of Cash Flows

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021

	NOTES	CONSOLIDATED 2022 $'000	CONSOLIDATED 2021 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		1,661,826	1,620,975
Payments to suppliers and employees (inclusive of GST)		(1,172,536)	(1,115,786)
Interest received		732	1,313
Borrowing costs paid		(3,193)	(4,632)
Interest on lease liabilities		(5,605)	(6,676)
Income taxes paid		(125,747)	(111,674)
NET CASH FLOWS FROM OPERATING ACTIVITIES	21(b)	**355,477**	**383,520**
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received from listed equity investment		2,449	-
Dividends received from investment in associate		10,402	12,227
Payment for trademarks		(223)	(116)
Purchase of investments		(15,143)	(16,510)
Payment for property, plant and equipment		(8,651)	(2,917)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(11,166)**	**(7,316)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Equity dividends paid		(146,274)	(165,171)
Payment of lease liabilities		(169,573)	(137,180)
Repayment of borrowings		(77,834)	-
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(393,681)**	**(302,351)**
NET (DECREASE) INCREASE IN CASH HELD		**(49,370)**	**73,853**
Cash at the beginning of the financial year		523,356	448,832
Net foreign exchange difference		(2,713)	671
CASH AT THE END OF THE FINANCIAL YEAR	21(a)	**471,273**	**523,356**

The accompanying notes form an integral part of this Statement of Cash Flows.

Statement of Changes in Equity

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021

	CONSOLIDATED							
	CONTRIBUTED EQUITY	CAPITAL PROFITS RESERVE	PERFORMANCE RIGHTS RESERVE	CASH FLOW HEDGE RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	FAIR VALUE RESERVE	RETAINED PROFITS	TOTAL
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 1 August 2021	608,615	464	21,215	4,377	2,801	(38,858)	934,291	1,532,905
Net profit for the period	-	-	-	-	-	-	285,174	285,174
Other comprehensive income (loss)	-	-	-	(4,316)	5,803	(1,871)	-	(384)
Total comprehensive income for the period	**-**	**-**	**-**	**(4,316)**	**5,803**	**(1,871)**	**285,174**	**284,790**
Transactions with owners in their capacity as owners:								
Performance rights issued	-	-	6,098	-	-	-	-	6,098
Dividends paid and payable	-	-	-	-	-	-	(146,274)	(146,274)
Balance as at 30 July 2022	**608,615**	**464**	**27,313**	**61**	**8,604**	**(40,729)**	**1,073,191**	**1,677,519**
At 26 July 2020 (Original)	608,615	464	19,359	(4,419)	5,781	(59,032)	776,680	1,347,448
Adjustment due to accounting policy change by associate (Note 20)	-	-	-	-	-	-	(3,024)	(3,024)
At 26 July 2020 (Adjusted)	608,615	464	19,359	(4,419)	5,781	(59,032)	773,656	1,344,424
Net profit for the period	-	-	-	-	-	-	271,840	271,840
Other comprehensive income (loss)	-	-	-	8,796	(2,980)	20,174	-	25,990
Total comprehensive income for the period	**-**	**-**	**-**	**8,796**	**(2,980)**	**20,174**	**271,840**	**297,830**
Transactions with owners in their capacity as owners:								
Performance rights issued	-	-	1,856	-	-	-	-	1,856
Dividends paid and payable	-	-	-	-	-	-	(111,205)	(111,205)
Balance as at 31 July 2021	**608,615**	**464**	**21,215**	**4,377**	**2,801**	**(38,858)**	**934,291**	**1,532,905**

The accompanying notes form an integral part of this Statement of Changes in Equity

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021

1 GENERAL INFORMATION

The financial report contains the consolidated financial statements of the consolidated entity, comprising Premier Investments Limited (the 'parent entity') and its wholly owned subsidiaries ('the Group') for the 52 weeks ended 30 July 2022. The financial report was authorised for issue by the Directors on 3 October 2022.

Premier Investments Limited is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Group are described in the Directors' Report.

The notes to the financial statements have been organised into the following sections:

(i) *Other significant group accounting policies:* Summarises the basis of financial statement preparation and other accounting policies adopted in the preparation of these consolidated financial statements. Specific accounting policies are disclosed in the note to which they relate.

(ii) *Group performance:* Contains the notes that focus on the results and performance of the Group.

(iii) *Operating assets and liabilities:* Provides information on the Group's assets and liabilities used to generate the Group's performance.

(iv) *Capital invested:* Provides information on the capital invested which allows the Group to generate its performance.

(v) *Capital structure and risk management:* Provides information on the Group's capital structure and summarises the Group's Risk Management policies.

(vi) *Group structure:* Contains information in relation to the Group's structure and related parties.

(vii) *Other disclosures:* Summarises other disclosures which are required in order to comply with Australian Accounting Standards and other authoritative pronouncements.

2 OTHER SIGNIFICANT GROUP ACCOUNTING POLICIES

The consolidated financial report is prepared for the 52 weeks from 1 August 2021 to 30 July 2022.

Below is a summary of significant group accounting policies applicable to the Group which have not been disclosed elsewhere. The notes to the financial statements, which contain detailed accounting policy notes, should be read in conjunction with the below Group accounting policies.

(a) BASIS OF FINANCIAL REPORT PREPARATION

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001,* Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on a historical cost basis, except for other financial instruments and listed equity investments at fair value, which have been measured at fair value as explained in the relevant accounting policies throughout the notes.

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 of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, dated 24 March 2016.

(b) STATEMENT OF COMPLIANCE

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

2 OTHER SIGNIFICANT GROUP ACCOUNTING POLICIES (CONTINUED)

(c) BASIS OF CONSOLIDATION

The consolidated financial statements are those of the consolidated entity, comprising Premier Investments Limited and its wholly owned subsidiaries as at the end of each financial year. A list of the Group's subsidiaries is included in note 27.

Subsidiaries are entities that are controlled by the Group. Control is achieved when the Group has:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Investments in subsidiaries held by Premier Investments Limited are accounted for at cost in the separate financial statements of the parent entity less any impairment losses. Dividends received from subsidiaries are recorded as a component of other revenue in the separate statement of comprehensive income of the parent entity, and do not impact the recorded cost of the investment.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

(d) COMPARATIVE AMOUNTS

The current reporting period, 1 August 2021 to 30 July 2022, represents 52 weeks and the comparative reporting period is from 26 July 2020 to 31 July 2021 which represents 53 weeks. From time to time, management may change prior year comparatives to reflect classifications applied in the current year.

(e) SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified certain critical accounting policies for which significant judgements, estimates and assumptions are required. These key judgements, estimates and assumptions have been disclosed as part of the relevant note to the financial statements. Actual results may differ from those estimated under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

(f) OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2 OTHER SIGNIFICANT GROUP ACCOUNTING POLICIES (CONTINUED)

(g) CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the statement of financial position based on current versus non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold in the normal operating cycle, or primarily held for the purpose of trading, or is expected to be realised within twelve months after the reporting period, or;
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when it is:

- Expected to be settled in the normal operating cycle, or primarily held for the purpose of trading, or is due to be settled within twelve months after the reporting period, or;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current.

(h) FOREIGN CURRENCY TRANSLATION

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). Both the functional and presentation currency of the parent entity and its Australian subsidiaries is Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. All exchange differences are taken to profit or loss in the statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

As at the reporting date the assets and liabilities of the overseas subsidiaries are translated into the presentation currency of the parent entity at the rate of exchange ruling at the reporting date and the statements of comprehensive income are translated at the weighted average exchange rates for the period. Exchange variations resulting from the translations are recognised in the foreign currency translation reserve in equity.

(i) GOODS AND SERVICES TAX (GST), INCLUDING OTHER VALUE-ADDED TAXES

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) except:

- When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

(j) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Changes in accounting policies, disclosures, standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except for new and amended Australian Accounting Standards and AASB Interpretations relevant to the Group and its operations that are effective for the current annual reporting period. There are no new and amended Accounting Standards and Interpretations that had a material impact on the consolidated financial report of the Group.

Accounting Standards and Interpretations issued but not yet effective

Recently issued or amended Australian Accounting Standards and Interpretations that have been identified as those which may be relevant to the Group in future reporting periods, but are not yet effective, have not been early adopted by the Group for the reporting period ended 30 July 2022. The Group does not anticipate that the below amended standards and interpretations will have a material impact on the Group:

- Amendments to AASB 101: *Classification of Liabilities as Current or Non-current*;
- Reference to the Conceptual Framework – *Amendments to AASB 3*;
- Property, Plant and Equipment: Proceeds before Intended Use – *Amendments to AASB 116*; and
- Onerous Contracts – Costs of Fulfilling a Contract – *Amendments to AASB 137*
- Definition of Accounting Estimates – *Amendments to AASB 108*
- Disclosure of Material Accounting Policies – *Amendments to AASB 101*

GROUP PERFORMANCE

3 OPERATING SEGMENTS

Identification of operating segments

The Group determines and presents operating segments based on the information that is internally provided and used by the chief operating decision maker in assessing the performance of the Group and in determining the allocation of resources.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The operating segments are identified by management based on the nature of the business conducted, and for which discrete financial information is available and reported to the chief operating decision maker on at least a monthly basis.

Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly of corporate assets, head office expenses and income tax assets and liabilities.

Reportable Segments

Retail

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

Investment

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

Accounting policies

The key accounting policies used by the Group in reporting segments internally are the same as those contained in these financial statements.

Income tax expense

Income tax expense is calculated based on the segment operating net profit using the Group's effective income tax rate.

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.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

The table on the following page presents revenue and profit information for operating segments for the periods ended 30 July 2022 and 31 July 2021.

GROUP PERFORMANCE

3 OPERATING SEGMENTS (CONTINUED)

(A) OPERATING SEGMENTS

	RETAIL		INVESTMENT		ELIMINATION		CONSOLIDATED	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000	2022 $'000	2021 $'000	2022 $'000	2021 $'000
REVENUE AND OTHER INCOME								
Revenue from contracts with customers	1,497,520	1,443,174	-	-	-	-	1,497,520	1,443,174
Interest revenue	321	392	1,000	756	-	-	1,321	1,148
Other revenue	160	240	295,986	165,034	(293,500)	(165,000)	2,646	274
Other income	138	4,946	15,251	9,117	-	-	15,389	14,063
Total revenue and other income	1,498,139	1,448,752	312,237	174,907	(293,500)	(165,000)	1,516,876	1,458,659
Total revenue per the statement of comprehensive income							**1,516,876**	**1,458,659**
RESULTS								
Depreciation	19,431	24,452	1,505	1,505	-	-	20,936	25,957
Depreciation – right-of-use asset	147,817	155,552	-	-	(2,577)	(3,251)	145,240	152,301
Interest expense	7,169	8,757	1,878	2,931	(185)	(114)	8,862	11,574
Share of profit of associate	-	-	27,085	23,897	-	-	27,085	23,897
Profit before income tax expense	**353,192**	**352,112**	**332,885**	**192,497**	**(293,414)**	**(165,026)**	**392,663**	**379,583**
Income tax expense							(107,489)	(107,743)
Net profit after tax per the statement of comprehensive income							**285,174**	**271,840**

	RETAIL		INVESTMENT		ELIMINATION		CONSOLIDATED	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000	2022 $'000	2021 $'000	2022 $'000	2021 $'000
ASSETS AND LIABILITIES								
Segment assets	841,300	1,006,557	1,583,413	1,420,029	(119,979)	(145,364)	2,304,734	2,281,222
Segment liabilities	500,476	622,906	163,881	187,845	(37,142)	(62,434)	627,215	748,317
Capital expenditure	8,797	8,579	-	-	-	-	8,797	8,579

GROUP PERFORMANCE

3 OPERATING SEGMENTS (CONTINUED)

(B) GEOGRAPHIC AREAS OF OPERATION

	AUSTRALIA 2022 $'000	NEW ZEALAND 2022 $'000	ASIA 2022 $'000	EUROPE 2022 $'000	ELIMINATION 2022 $'000	CONSOLIDATED 2022 $'000
REVENUE AND OTHER INCOME						
Revenue from contracts with customers	1,196,623	147,379	49,954	103,564	-	1,497,520
Other revenue and income	37,989	4	139	30	(18,806)	19,356
Total revenue and other income	**1,234,612**	**147,383**	**50,093**	**103,594**	**(18,806)**	**1,516,876**
Segment non-current assets	1,478,405	26,180	15,102	28,270	39,700	1,587,657
Capital expenditure	7,733	862	159	43	-	8,797

	AUSTRALIA 2021 $'000	NEW ZEALAND 2021 $'000	ASIA 2021 $'000	EUROPE 2021 $'000	ELIMINATION 2021 $'000	CONSOLIDATED 2021 $'000
REVENUE AND OTHER INCOME						
Revenue from contracts with customers	1,171,833	160,179	34,152	77,010	-	1,443,174
Other revenue and income	18,170	3	3,962	4,622	(11,272)	15,485
Total revenue and other income	**1,190,003**	**160,182**	**38,114**	**81,632**	**(11,272)**	**1,458,659**
Segment non-current assets	1,403,407	30,990	13,483	34,512	39,815	1,522,217
Capital expenditure	7,594	878	25	82	-	8,579

GROUP PERFORMANCE

	CONSOLIDATED	
	2022 $'000	2021 $'000
4 REVENUE AND OTHER INCOME		
REVENUE		
Revenue from contracts with customers	1,497,520	1,443,174
(Disaggregated revenue from contracts with customers is presented in note 3B, *Operating Segments)*		
OTHER REVENUE		
Dividends received from listed equity investment	2,449	-
Sundry revenue	197	274
Interest received	1,321	1,148
TOTAL OTHER REVENUE	3,967	1,422
TOTAL REVENUE	**1,501,487**	**1,444,596**
OTHER INCOME		
Gain on investment in associate resulting from share issue	15,251	9,117
United Kingdom COVID-19 lockdown grants	-	4,622
Other	138	324
TOTAL OTHER INCOME	15,389	14,063
TOTAL REVENUE AND OTHER INCOME	**1,516,876**	**1,458,659**

REVENUE RECOGNITION ACCOUNTING POLICY

Revenue recognition occurs at the point in time when control of the goods is transferred to the customer, generally at the point of sale or on delivery of the goods.

The Group estimates the value of expected customer returns that will arise as a result of the Group's returns policy, which entitles the customer to a refund of returned unused products within the specified timeframe for the respective brands. At the same time, the Group recognises a right of return asset, being the former carrying amount of the inventory, less any expected costs to recover the goods the Group expects to be returned by customers as a result of the returns policy.

The Group operates certain loyalty programmes, which allow customers to accumulate points when products are purchased, and which can be redeemed for free or discounted product once a minimum number of points have been accumulated. Loyalty points give rise to a separate performance obligation providing a material right to the customer, therefore a portion of the transaction price is allocated to the loyalty programme based on the relative stand-alone selling prices.

The Group recognises a contract liability upon the sale of gift cards and recognises revenue when the customer redeems the gift card, and the Group fulfils its performance obligation. The Group also recognises revenue on the portion of unredeemed gift cards for which redemption is unlikely, known as gift card breakage. Gift card breakage is estimated and recognised as revenue in proportion to the pattern of rights exercised by customers. On expiry of the gift card, any unused funds are recognised in full as breakage.

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

	NOTES	CONSOLIDATED 2022 $'000	CONSOLIDATED 2021 $'000

5 EXPENSES

	NOTES	2022 $'000	2021 $'000
LEASE RENTAL EXPENSES (BENEFITS)			
Variable lease expenses		11,723	7,501
Other lease expenses		23,519	15,986
COVID-19 related rent concessions		(10,538)	(19,521)
Other Australia and New Zealand holdover rent concessions		(3,465)	(9,960)
Other		-	(1,550)
NET LEASE RENTAL EXPENSES (BENEFITS)		**21,239**	**(7,544)**
DEPRECIATION AND IMPAIRMENT OF NON-CURRENT ASSETS			
Depreciation of property, plant and equipment	17	20,936	25,957
Depreciation of right-of-use assets	12	145,240	152,301
TOTAL DEPRECIATION AND IMPAIRMENT OF NON-CURRENT ASSETS		**166,176**	**178,258**
FINANCE COSTS			
Interest on lease liabilities	14	5,605	6,676
Interest on bank loans and overdraft		3,257	4,898
TOTAL FINANCE COSTS		**8,862**	**11,574**
OTHER EXPENSES INCLUDE:			
Net loss on disposal of property, plant and equipment		201	5

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

GROUP PERFORMANCE

		CONSOLIDATED	
		2022 $'000	2021 $'000
6	**INCOME TAX**		
	The major components of income tax expense are:		
(a)	*INCOME TAX RECOGNISED IN PROFIT OR LOSS*		
	CURRENT INCOME TAX		
	Current income tax charge	97,603	106,275
	Adjustment in respect of current income tax of previous years	(1,757)	475
	DEFERRED INCOME TAX		
	Relating to origination and reversal of temporary differences	11,643	993
	INCOME TAX EXPENSE REPORTED IN THE STATEMENT OF COMPREHENSIVE INCOME	**107,489**	**107,743**
(b)	*STATEMENT OF CHANGES IN EQUITY*		
	Deferred income tax related to items credited directly to equity:		
	Net deferred income tax on movements on cash-flow hedges	(1,850)	3,772
	Net deferred income tax on unrealised (loss) gain on listed equity investment at fair value	(802)	8,646
	INCOME TAX (BENEFIT) EXPENSE REPORTED IN EQUITY	**(2,652)**	**12,418**
(c)	*RECONCILIATION BETWEEN TAX EXPENSE AND THE ACCOUNTING PROFIT BEFORE TAX MULTIPLIED BY THE GROUP'S APPLICABLE AUSTRALIAN INCOME TAX RATE*		
	Accounting profit before income tax	392,663	379,583
	At the Parent Entity's statutory income tax rate of 30% (2021: 30%)	117,799	113,875
	Adjustment in respect of current income tax of previous years	(1,757)	475
	Expenditure not allowable for income tax purposes	1,852	697
	Effect of different rates of tax on overseas income	(3,306)	(1,345)
	Income not assessable for tax purposes	(4,927)	(5,791)
	Impact of future changes in tax rates	(2,115)	-
	Other	(57)	(168)
	AGGREGATE INCOME TAX EXPENSE	**107,489**	**107,743**

	CONSOLIDATED	
	2022 $'000	2021 $'000
6 INCOME TAX (CONTINUED)		
(*d*) RECOGNISED DEFERRED TAX ASSETS AND LIABILITIES		
DEFERRED TAX RELATES TO THE FOLLOWING:		
Foreign currency balances	195	192
Potential capital gains tax on financial investments	(50,227)	(42,516)
Deferred gains and losses on financial instruments	(26)	(1,877)
Inventory provisions	571	1,748
Lease arrangements	5,648	8,153
Employee provisions	10,415	9,400
Property, plant and equipment	4,393	3,546
Other provisions	4,455	2,769
Other	4,094	5,760
NET DEFERRED TAX LIABILITIES	**(20,482)**	**(12,825)**
REFLECTED IN THE STATEMENT OF FINANCIAL POSITION AS FOLLOWS:		
Deferred tax assets	51,426	55,494
Deferred tax liabilities	(71,908)	(68,319)
NET DEFERRED TAX LIABILITIES	**(20,482)**	**(12,825)**

INCOME TAX ACCOUNTING POLICY

Income tax expense comprises current tax (amounts payable or receivable within 12 months) and deferred tax (amounts payable or receivable after 12 months). Tax expense is recognised in profit or loss, unless it relates to items that have been recognised in equity as part of other comprehensive income or directly in equity. In this instance, the related tax expense is also recognised in other comprehensive income or directly in equity.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities based on the current and prior period taxable income. The tax rates and tax laws used to calculate tax amounts are those that are enacted or substantially enacted by the reporting date.

Deferred income tax

Deferred income tax is recognised on temporary differences at the reporting date between the tax base of the assets and liabilities and their carrying amounts for financial reporting purposes based on the expected manner of recovery of the carrying value of an asset or liability.

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

GROUP PERFORMANCE

6 INCOME TAX (CONTINUED)

INCOME TAX ACCOUNTING POLICY (CONTINUED)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date.

Deferred income tax liabilities are recognised for all temporary differences except:

- When the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination or the initial recognition of a lease and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss: and
- When the taxable temporary difference is associated with investments in subsidiaries, associates and interest in joint ventures, and the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, except for the following:

- When the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination or the initial recognition of a lease and, at the time of the transaction affects neither the accounting profit nor taxable profit;
- When the deductible temporary difference is associated with investments in subsidiaries, associates and interest in joint ventures, in which case the deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available to utilise the deferred tax asset.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Tax assets and tax liabilities are offset only if a legally enforceable right exists to set off and the tax assets and tax liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation

Premier Investments Limited and its wholly owned Australian controlled entities have implemented a tax consolidation group. The head entity, Premier Investments Limited and the controlled entities continue to account for their own current and deferred tax amounts. The Group has applied the Group allocation approach to determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group. The agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At reporting date the possibility of default is remote.

In addition to its own current and deferred tax amounts, Premier Investments Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

6 INCOME TAX (CONTINUED)

KEY ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future sales volumes, operating costs, capital expenditure, dividends and other capital management transactions. Judgements are also required about the application of income tax legislation.

These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised in the statement of financial position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to profit or loss in the statement of comprehensive income.

	CONSOLIDATED	
	2022 $'000	2021 $'000

7 EARNINGS PER SHARE

The following reflects the income and share data used in the calculation of basic and diluted earnings per share:

	2022 $'000	2021 $'000
Net profit for the period	285,174	271,840

	NUMBER OF SHARES '000	NUMBER OF SHARES '000
Weighted average number of ordinary shares used in calculating:		
- basic earnings per share	158,958	158,829
- diluted earnings per share	160,070	159,538

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 financial report.

EARNINGS PER SHARE ACCOUNTING POLICY

Basic earnings per share are calculated as net profit attributable to members of the parent divided by the weighted average number of ordinary shares.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for costs of servicing equity, the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses, and other non-discretionary changes in revenue or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares.

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

GROUP PERFORMANCE

	CONSOLIDATED	
	2022 $'000	2021 $'000
8 A) DIVIDENDS		
DIVIDENDS APPROVED AND/ OR PAID		
Approved and paid during the year:		
Interim franked dividends:		
2022: 46 cents per share	73,137	-
2021: 34 cents per share	-	54,014
Approved and paid during the year:		
Final franked dividends:		
2021: 46 cents per share (2020: 36 cents)	73,137	57,191
TOTAL FOR THE YEAR	**146,274**	**111,205**

Note: The 2020 interim dividend of $53,966,000 was paid on 30 September 2020, in the 2021 financial year.

DIVIDENDS APPROVED AND NOT RECOGNISED AS A LIABILITY:		
Final franked dividend for 2022:		
54 cents per share (2021: 46 cents)	85,856	73,137
Special franked dividend for 2022:		
25 cents per share	39,748	-

The Directors of Premier Investments Limited approved a final dividend in respect of the 2022 financial year. The total amount of the final dividend is $85,856,000 (2021: $73,137,000) which represents a fully franked dividend of 54 cents per share (2021: 46 cents per share). In addition, the Directors of Premier Investments Limited approved a special dividend in respect of the 2022 financial year. The total amount of the special dividend is $39,748,000 (2021: $nil) which represents a fully franked dividend of 25 cents per share (2021: nil cents per share).

	CONSOLIDATED	
	2022 $'000	2021 $'000
B) FRANKING CREDIT BALANCE		
The amount of franking credits available for the subsequent financial year are:		
franking account balance as at the end of the financial year at 30% (2021: 30%)	289,705	231,271
franking credits that will arise from the payment of income tax payable as at the end of the financial year	29,631	56,181
franking debits that will be used on the payment of dividends subsequent to the end of the financial year	(53,830)	(31,319)
TOTAL FRANKING CREDIT BALANCE	**265,506**	**256,133**

The tax rate at which paid dividends have been franked is 30% (2021: 30%). Dividends proposed will be franked at the rate of 30% (2021: 30%).

OPERATING ASSETS AND LIABILITIES

	CONSOLIDATED	
	2022 $'000	2021 $'000
9 TRADE AND OTHER RECEIVABLES (CURRENT)		
Sundry debtors	11,026	9,490
TOTAL CURRENT TRADE AND OTHER RECEIVABLES	**11,026**	**9,490**

(a) Impairment losses

Receivables are non-interest-bearing and are generally on 30 to 60 day terms. An allowance for credit losses is recognised based on the expected credit loss from the time the financial asset is initially recognised. Bad debts are written off when identified. No material allowance for credit losses has been recognised by the Group during the financial year ended 30 July 2022 (2021: $nil). During the year, no material bad debt expense (2021: $nil) was recognised. It is expected that sundry debtor balances will be received when due.

(b) Fair value

Due to the short-term nature of these receivables, their carrying value is considered to approximate their fair value.

TRADE AND OTHER RECEIVABLES ACCOUNTING POLICY

Trade and other receivables are classified as non-derivative financial assets and are recognised initially at their transaction value. After initial measurement, these assets are measured at amortised cost, less any allowance for any expected credit losses.

	CONSOLIDATED	
	2022 $'000	2021 $'000
10 INVENTORIES		
Finished goods	224,392	208,760
TOTAL INVENTORIES AT COST	**224,392**	**208,760**

INVENTORIES ACCOUNTING POLICY

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Finished goods and work-in-progress - purchase cost plus a proportion of the purchasing department, freight, handling and warehouse costs incurred to deliver the goods to the point of sale.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated direct costs necessary to make the sale.

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

OPERATING ASSETS AND LIABILITIES

	CONSOLIDATED	
	2022 $'000	**2021 $'000**
11 OTHER ASSETS (CURRENT)		
Deposits and prepayments	10,299	10,326
TOTAL OTHER CURRENT ASSETS	**10,299**	**10,326**
12 RIGHT-OF-USE ASSETS		
Opening balance	167,087	231,790
Additions / Remeasurements	176,314	86,621
Depreciation expense	(145,240)	(152,301)
Exchange differences	(2,603)	977
TOTAL RIGHT-OF-USE ASSETS	**195,558**	**167,087**

RIGHT-OF-USE ASSETS ACCOUNTING POLICY

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.

KEY ACCOUNTING ESTIMATES AND ASSUMPTIONS

Impairment of right-of-use assets

The carrying values of the right-of-use assets are reviewed for impairment annually. If an indication of impairment exists, and where the carrying value of the asset exceeds the estimated recoverable amount, the assets or cash-generating units (CGU) are written down to their recoverable amount. The recoverable amount is the greater of fair value less costs of disposal and value-in-use. Value-in-use refers to an asset's value based on the expected future cash flows arising from its continued use, discounted to present value using a post-tax discount rate that reflect current market assessments of the risks specific to the CGU.

The recoverable amount was estimated on an individual store basis, as this has been identified as the CGU of the Group's retail segment.

No impairment loss was recognised in relation to the Group's right-of-use assets during the current financial year (2021: $nil).

	CONSOLIDATED	
	2022 $'000	2021 $'000
13 TRADE AND OTHER PAYABLES (CURRENT)		
Trade creditors	64,873	76,231
Other creditors and accruals	78,581	88,038
TOTAL CURRENT TRADE AND OTHER PAYABLES	**143,454**	**164,269**

(a) Fair values

Due to the short-term nature of these payables, their carrying values approximate their fair values.

TRADE AND OTHER PAYABLES ACCOUNTING POLICY

Trade and other payables are recognised and carried at original invoice cost, which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the Group.

	CONSOLIDATED	
	2022 $'000	2021 $'000
14 LEASE LIABILITIES		
Opening balance	237,485	303,889
Additions / Remeasurements	182,869	87,569
Interest expense	5,605	6,676
Payments	(169,573)	(137,180)
COVID-19 related rent concessions	(10,538)	(19,521)
Other Australia and New Zealand holdover rent concessions	(3,465)	(4,527)
Other	-	(1,550)
Exchange rate differences	(3,102)	2,129
TOTAL LEASE LIABILITIES	**239,281**	**237,485**
COMPRISING OF:		
Current lease liability	158,290	159,050
Non-current lease liability	80,991	78,435
TOTAL LEASE LIABILITIES	**239,281**	**237,485**

LEASE LIABILITIES ACCOUNTING POLICY

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 in which the event or condition that triggers the payment occurs.

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

OPERATING ASSETS AND LIABILITIES

14 LEASE LIABILITIES (CONTINUED)

LEASE LIABILITIES ACCOUNTING POLICY (CONTINUED)

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.

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 a lease expense on a straight-line basis over the lease term.

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.

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 year ended 30 July 2022 and 31 July 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 2022; and
- There has been no substantive change in the terms and conditions of the lease.

15 PROVISIONS

	CONSOLIDATED 2022 $'000	CONSOLIDATED 2021 $'000
CURRENT		
Employee entitlements – Annual Leave	19,063	16,359
Employee entitlements – Long Service Leave	11,151	10,363
Provision for make-good in relation to leased premises	11,576	12,490
Refund liability	2,088	2,088
Other provisions	627	4,310
TOTAL CURRENT PROVISIONS	**44,505**	**45,610**
NON-CURRENT		
Employee entitlements – Long Service Leave	2,378	2,469
Provision for make-good in relation to leased premises	4,541	4,595
Other provisions	4,045	4,357
TOTAL NON-CURRENT PROVISIONS	**10,964**	**11,421**
MOVEMENT IN PROVISIONS		
Provision for make-good in relation to leased premises		
Opening balance	17,085	17,855
Charged to profit or loss	812	-
Utilised during the period	(1,780)	(770)
CLOSING BALANCE (CURRENT AND NON-CURRENT)	**16,117**	**17,085**

PROVISIONS ACCOUNTING POLICIES

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time-value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects the risks specific to the liability and the time value of money. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

EMPLOYEE ENTITLEMENTS ACCOUNTING POLICIES

Current annual leave

The provisions for employee entitlements to wages, salaries and annual leave (which are expected to be settled wholly within 12 months of the reporting date) represent the amount which the Group has a present obligation to pay, resulting from employees' services provided up to the reporting date. The provisions have been calculated at nominal amounts based on current wage and salary rates, and include related on-costs.

OPERATING ASSETS AND LIABILITIES

15 PROVISIONS (CONTINUED)

EMPLOYEE ENTITLEMENTS ACCOUNTING POLICIES (CONTINUED)

Long service leave and non-current annual leave

The liability for long service leave and non-current annual leave (which are not expected to be settled wholly within 12 months of the reporting date) is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Related on-costs have also been included in the liability.

Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity that match as closely as possible the estimated cash outflow.

Retirement benefit obligations

All employees of the Group are entitled to benefits from the Group's superannuation plan on retirement, disability or death. The Group operates a defined contribution plan. Contributions to the plan are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is made available.

PROVISION FOR MAKE-GOOD IN RELATION TO STORE PLANT AND EQUIPMENT ACCOUNTING POLICY

A provision has been recognised in relation to make-good costs arising from contractual obligations in lease agreements, in regions where the Group has such a present obligation. The provision recognised represents the present value of the estimated expenditure required to remove these store plant and equipment.

	CONSOLIDATED	
	2022 $'000	2021 $'000
16 OTHER LIABILITIES		
CURRENT		
Deferred income	16,129	15,120
TOTAL CURRENT	**16,129**	**15,120**
NON-CURRENT		
Deferred income	-	226
TOTAL NON-CURRENT	**-**	**226**

DEFERRED INCOME ACCOUNTING POLICY

Unredeemed gift cards are expected to be largely redeemed within a year.

CAPITAL INVESTED

17 PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED				
	LAND $'000	BUILDINGS $'000	PLANT AND EQUIPMENT $'000	CAPITAL WORKS IN PROGRESS $'000	TOTAL $'000
AT 30 JULY 2022					
Cost	21,953	59,577	453,571	8,024	543,125
Accumulated depreciation and impairment	-	(8,875)	(408,937)	-	(417,812)
NET CARRYING AMOUNT	**21,953**	**50,702**	**44,634**	**8,024**	**125,313**
RECONCILIATIONS:					
Carrying amount at beginning of the financial year	21,953	52,207	58,885	4,753	137,798
Additions	-	-	2,462	6,335	8,797
Transfers between classes	-	-	2,890	(2,890)	-
Depreciation	-	(1,505)	(19,431)	-	(20,936)
Disposals	-	-	(201)	-	(201)
Exchange differences	-	-	(145)	-	(145)
Carrying amount at end of the financial year	**21,953**	**50,702**	**44,460**	**8,198**	**125,313**
AT 31 JULY 2021					
Cost	21,953	59,577	463,737	4,753	550,020
Accumulated depreciation and impairment	-	(7,370)	(404,852)	-	(412,222)
NET CARRYING AMOUNT	**21,953**	**52,207**	**58,885**	**4,753**	**137,798**
RECONCILIATIONS:					
Carrying amount at beginning of the financial year	21,953	48,855	72,866	11,460	155,134
Additions	-	-	3,285	5,294	8,579
Transfers between classes	-	4,857	7,074	(11,931)	-
Depreciation	-	(1,505)	(24,452)	-	(25,957)
Disposals	-	-	(5)	-	(5)
Exchange differences	-	-	117	(70)	47
Carrying amount at end of the financial year	**21,953**	**52,207**	**58,885**	**4,753**	**137,798**

LAND AND BUILDINGS

The land and buildings with a combined carrying amount of $72,655,000 (2021: $74,160,000) have been pledged to secure certain interest-bearing borrowings of the Group (refer to note 22).

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

CAPITAL INVESTED

17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT ACCOUNTING POLICY

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a systematic basis over the estimated useful life of the asset as follows:

- Buildings	40 years
- Store plant and equipment	3 to 10 years
- Other plant and equipment	2 to 20 years

Freehold land is not depreciated.

KEY ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimation of useful lives of assets

The estimation of useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary and are accounted for as a change in accounting estimate, in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. Depreciation methods used reflect the pattern in which the asset's future economic benefits are expected to be consumed and are reviewed at least at each financial year-end. Adjustments to depreciation methods are made when considered necessary and are accounted for as a change in accounting estimate, in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

Impairment testing of Property, Plant and Equipment and key accounting estimates and assumptions

The carrying values of property, plant and equipment are reviewed for impairment annually. If an indication of impairment exists, and where the carrying value of the asset exceeds the estimated recoverable amount, the assets or cash-generating units (CGU) are written down to their recoverable amount. The recoverable amount is the greater of fair value less costs of disposal and value-in-use. Value-in-use refers to an asset's value based on the estimated future cash flows arising from its continued use, discounted to present value using a post-tax discount rate that reflect current market assessments of the risks specific to the CGU. These value-in-use calculations use cash flow projections based on financial estimates covering a period of up to five years, discounting using a post-tax discount rate of 10.5% (2021: 10.5%).

If an asset does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. The recoverable amount was estimated for certain items of plant and equipment on an individual store basis, as this has been identified as the CGU of the Group's retail segment.

No impairment loss was recognised during the current financial year (2021: $nil).

CAPITAL INVESTED

18 INTANGIBLES

RECONCILIATION OF CARRYING AMOUNTS AT THE BEGINNING AND END OF THE PERIOD

	CONSOLIDATED			
	GOODWILL $'000	BRAND NAMES $'000	TRADEMARKS $'000	TOTAL $'000
YEAR ENDED 30 JULY 2022				
As at 1 August 2021 net of accumulated amortisation and impairment	477,085	346,179	3,740	827,004
Trademark registrations	-	-	223	223
As at 30 July 2022 net of accumulated amortisation and impairment	**477,085**	**346,179**	**3,963**	**827,227**
AS AT 30 JULY 2022				
Cost (gross carrying amount)	477,085	376,179	3,963	857,227
Accumulated amortisation and impairment	-	(30,000)	-	(30,000)
NET CARRYING AMOUNT	**477,085**	**346,179**	**3,963**	**827,227**
YEAR ENDED 31 JULY 2021				
As at 26 July 2020 net of accumulated amortisation and impairment	477,085	346,179	3,624	826,888
Trademark registrations	-	-	116	116
As at 31 July 2021 net of accumulated amortisation and impairment	**477,085**	**346,179**	**3,740**	**827,004**
AS AT 31 JULY 2021				
Cost (gross carrying amount)	477,085	376,179	3,740	857,004
Accumulated amortisation and impairment	-	(30,000)	-	(30,000)
NET CARRYING AMOUNT	**477,085**	**346,179**	**3,740**	**827,004**

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

CAPITAL INVESTED

18 INTANGIBLES (CONTINUED)

GOODWILL ACCOUNTING POLICY

Goodwill acquired in a business combination is initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but is subject to impairment testing.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Goodwill acquired in a business combination is, from the date of acquisition, allocated to each of the Group's cash-generating units (CGUs) that are expected to benefit from the synergies of the combination. Impairment is determined by assessing the recoverable amount of the CGU to which the goodwill relates.

Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised. Impairment losses recognised for goodwill are not subsequently reversed.

OTHER INTANGIBLE ASSETS (excluding goodwill) ACCOUNTING POLICY

Intangible assets acquired separately are initially measured at cost. Intangible assets acquired in a business combination are initially recognised at fair value. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

A summary of the key accounting policies applied to the Group's intangible assets are as follows:

	Brands	***Trademarks & Licences***
Useful life assessment?	Indefinite	Indefinite
Method used?	Not amortised or revalued	Not amortised or revalued
Internally generated or acquired?	Acquired	Acquired
Impairment test/recoverable amount testing	Annually or more frequently if there are indicators of impairment	Annually or more frequently if there are indicators of impairment

Brand names, trademarks and licences are assessed as having an indefinite useful life, as this reflects management's intention to continue to operate these to generate net cash inflows into the foreseeable future. These assets are not amortised but are subject to impairment testing.

Intangible assets are tested for impairment where an indicator of impairment exists, or in the case of indefinite life intangibles, impairment is tested annually and where an indicator of impairment exists.

Where the carrying amount of an intangible asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the higher of the asset's value-in-use and fair value less costs of disposal. Value-in use refers to an asset's value based on the expected future cash flows arising from its continued use, discounted to present value using a post-tax discount rate that reflect current market assessments of the risks specific to the asset.

If an asset does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

CAPITAL INVESTED

18 INTANGIBLES (CONTINUED)

SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The recoverable amounts of CGUs are determined based on the higher of value-in-use calculations or fair value less costs of disposal. These calculations depend on management estimates and assumptions. In particular, significant estimates and judgements are made in relation to the key assumptions used in forecasting future cash flows and the expected growth rates used in these cash flow projections, as well as the discount rates applied to these cash flows. Management assesses these assumptions each reporting period and considers the potential impact of changes to these assumptions.

IMPAIRMENT TESTING OF GOODWILL

The key factors contributing to the goodwill relate to the synergies existing within the acquired business and also synergies expected to be achieved as a result of combining Just Group Limited with the rest of the Group. Accordingly, goodwill is assessed at a retail segment level, which is also an operating segment for the Group.

The recoverable amount of the CGU has been determined based upon a range of value-in-use calculations, using estimated cash flow scenarios for a period of five years plus a terminal value.

The value-in-use calculations have been determined based on scenarios of cash flows using financial estimates for the 2023 financial year (FY23) and are projected for a further four years (FY24 – FY27) based on estimated growth rates. As part of the annual impairment test for goodwill, management assesses the reasonableness of profit margin assumptions by reviewing historical cash flow projections as well as future growth objectives.

The cash flow projections for FY23 are based on financial estimates approved by senior management and the Board. These financial estimates are projected for a further four years based on average annual estimated growth rates for FY24 to FY27 of 2.5% (2021: 0.875%). Cash flow estimates beyond the five year period have been extrapolated using a growth rate ranging from 1.8% to 2.2% (2021: 2% to 2.5%), which reflects the long-term growth expectations beyond the five year period.

The post-tax discount rate applied to these cash flow projections is 9.7% (2021: 9.4%). The discount rate has been determined using the weighted average cost of capital which incorporates both the cost of debt and the cost of capital and adjusted for risks specific to the CGU.

In determining the possible scenarios of cash flows, management considered the reasonably possible changes in estimated sales growth, estimated EBITDA and discount rates applied to the CGU to which goodwill relates. These reasonably possible adverse change in key assumptions on which the recoverable amount is based would not cause the carrying amount of the CGU to exceed its recoverable amount.

IMPAIRMENT TESTING OF BRAND NAMES

Brand names acquired through business combinations have been allocated to the following CGU groups ($’000) as no individual brand name is considered significant:

- Casual wear - $158,975
- Women’s wear - $137,744
- Non Apparel - $49,460

The recoverable amounts of brand names acquired in a business combination have been determined on an individual brand basis based upon value-in-use calculations. The value-in-use calculations have been determined based upon the relief from royalty method using cash flow estimates for a period of five years plus a terminal value.

CAPITAL INVESTED

18 INTANGIBLES (CONTINUED)

IMPAIRMENT TESTING OF BRAND NAMES (CONTINUED)

The recoverable amount of brand names has been determined based upon a range of value-in-use calculations, using estimated cash flow scenarios for a period of five years plus a terminal value. The value-in-use calculations have been determined based on scenarios of cash flows using financial estimates for the 2023 financial year (FY23) and are projected for a further four years (FY24 – FY27) based on estimated growth rates.

The cash flow projections for FY23 are based on financial estimates approved by senior management and the Board. These financial estimates are projected for a further four years based on average annual estimated growth rates for FY24 to FY27. These extrapolated growth rate ranges at which cash flows have been estimated for the individual brands within each of the CGU groups were 2.5% (2021: 0.875%).

Cash flow estimates beyond the five year period have been extrapolated using a growth rate ranging from 1.8% to 2.2% (2021: 2% to 2.5%), which reflects the long-term growth expectations beyond the five year period.

The post-tax discount rate applied to the cash flow projections for each of the three CGU groups is 8.5% (2021: 8.3%). The discount rate has been determined using the weighted average cost of capital which incorporates both the cost of debt and cost of capital and adjusted for risks specific to the CGU.

Royalty rates have been determined for each brand within the CGU groups by considering the brand's history and future expected performance. Factors such as the profitability of the brand, market share, brand recognition and general conditions in the industry have also been considered in determining an appropriate royalty rate for each brand. Consideration is also given to the industry norms relating to royalty rates by analysing market derived data for comparable brands and by considering the notional royalty payments as a percentage of the divisional earnings before interest and taxation generated by the division in which the brand names are used. Net royalty rates applied across the three CGU groups range between 3.5% and 8% (2021: 3.5% and 8%).

In addition to the range of cash flow scenarios, management has considered reasonably possible adverse changes in key assumptions applied to brands within the relevant CGU groups, each of which have been subjected to sensitivities. Key assumptions relate to estimated sales growth, net royalty rates and discount rates applied.

A brand within the Casual Wear CGU group with a carrying value of $82.2 million, indicated sensitivity to possible adverse changes to the post-tax discount rate applied to the cash flow estimates, as well as indicating sensitivity to a possible adverse change in sales growth expectations. The sensitivities included reducing the average sales growth expectations for the 5-year period from FY23 to FY27 to 1.7% and separately increasing the post-tax discount rate applied to cash flow estimates to 9.0%. The individual reasonably possible adverse changes could result in a potential impairment of up to $1 million. The potential impairment loss as a result of the reasonably possible adverse change to these key assumptions are not considered material to the overall recoverable amount of the CGU to which the brand relates.

CAPITAL INVESTED

	CONSOLIDATED 2022 $'000	2021 $'000
19 LISTED EQUITY INVESTMENT AT FAIR VALUE		
INVESTMENT		
Investment in listed securities at fair value	75,932	63,462
TOTAL INVESTMENTS	**75,932**	**63,462**

FAIR VALUE LISTED EQUITY INVESTMENT ACCOUNTING POLICY

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', without subsequent reclassification of gains or losses nor impairment to profit or loss, as it is not held for trading, with only dividends recognised in 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.

Subsequent to 30 July 2022, the Group acquired a further 2.99% investment in Myer Holdings Limited, taking the total investment to 22.87%.

	CONSOLIDATED 2022 $'000	2021 $'000
20 INVESTMENT IN ASSOCIATE		
Movements in carrying amounts		
Carrying amount at the beginning of the financial year	271,372	257,391
Share of profit after income tax	27,085	23,897
Gain resulting from associate share issue	15,251	9,117
Share of other comprehensive income	8,895	(3,782)
Adjustment due to associate accounting policy change	-	(3,024)
Dividends received	(10,402)	(12,227)
TOTAL INVESTMENT IN ASSOCIATE	**312,201**	**271,372**

As at 30 July 2022, Premier Investments Limited holds 25.62% (2021: 26.27%) of Breville Group Limited ("BRG"), a company incorporated in Australia whose shares are quoted on the Australian Securities Exchange. The principal activities of BRG involves the innovation, development, marketing and distribution of small electrical appliances.

There were no impairment losses relating to the investment in associate and no capital commitments or other commitments relating to the associate. The Group's share of the profit after tax in its investment in associate for the year was $27,084,695 (2021: $23,897,294). As at 30 July 2022, the fair value of the Group's interest in BRG as determined based on the quoted market price was $760,285,377 (2021: $1,173,460,147).

During the 2021 financial year, BRG reconsidered its accounting treatment with regards to accounting for capitalised costs incurred in configuring or customising a supplier's application software in a cloud computing arrangement. The change in accounting policy led to a decrease in BRG's opening retained earnings. The Group share of this retained earnings adjustment due to a change in accounting policy was $3,024,000.

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

CAPITAL INVESTED

20 INVESTMENT IN ASSOCIATE (CONTINUED)

During the period, a gain of $15,251,000 (31 July 2021: $9,117,000) 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.

The financial year end date of BRG is 30 June. For the purpose of applying the equity method of accounting, the financial statements of BRG for the year ended 30 June 2022 have been used. The accounting policies applied by BRG in their financial statements materially conform to those used by the Group for like transactions and events in similar circumstances.

The following table illustrates summarised financial information relating to the Group's investment in BRG:

EXTRACT OF BRG'S STATEMENT OF FINANCIAL POSITION	30 JUNE 2022 $'000	30 JUNE 2021 $'000
Current assets	844,290	473,464
Non-current assets	334,862	297,176
Total assets	1,179,152	770,640
Current liabilities	(343,105)	(219,085)
Non-current liabilities	(221,630)	(45,070)
Total liabilities	(564,735)	(264,155)
NET ASSETS	614,417	506,485
Group's share of BRG net assets	**157,414**	**133,054**

EXTRACT OF BRG'S STATEMENT OF COMPREHENSIVE INCOME	30 JUNE 2022 $'000	30 JUNE 2021 $'000
Revenue	1,418,437	1,187,659
Profit after income tax	105,717	90,968
Other comprehensive income	33,651	(9,884)
Group's share of BRG profit after income tax	**27,085**	**23,897**

INVESTMENT IN ASSOCIATE ACCOUNTING POLICY

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

The Group accounts for its investments in associate using the equity method of accounting in the consolidated financial statements. Under the equity method, the investment in the associate is initially recognised at cost. Thereafter, the carrying amount of the investment is adjusted to recognise the Group's share of profit after tax of the associate, which is recognised in profit or loss, and the Group's share of other comprehensive income, which is recognised in other comprehensive income in the statement of comprehensive income. Dividends received from the associate generally reduces the carrying amount of the investment. After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in an associate. At each reporting period, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, then recognises the impairment loss in profit or loss in the statement of comprehensive income.

	CONSOLIDATED 2022 $'000	2021 $'000

21 NOTES TO THE STATEMENT OF CASH FLOWS

(a) RECONCILIATION OF CASH AND CASH EQUIVALENTS

	2022 $'000	2021 $'000
Cash at bank and in hand	204,005	385,815
Short-term deposits	267,268	137,541
TOTAL CASH AND CASH EQUIVALENTS	**471,273**	**523,356**

(b) RECONCILIATION OF NET PROFIT AFTER INCOME TAX TO NET CASH FLOWS FROM OPERATIONS

	2022 $'000	2021 $'000
Net profit for the period after tax	285,174	271,840
Adjustments for:		
Depreciation	166,176	178,258
Share of profit of associate	(27,085)	(23,897)
Gain on investment in associate resulting from share issue	(15,251)	(9,117)
Dividends received from listed equity investment	(2,449)	-
Borrowing costs	56	174
Net loss on disposal of property, plant and equipment	201	5
Share-based payments expense	6,098	1,856
Movement in cash flow hedge reserve	(4,316)	8,796
Net exchange differences	(378)	132
Changes in assets and liabilities:		
(Increase) decrease in trade and other receivables	(1,536)	20,830
Decrease in other current assets	27	205
Increase in inventories	(15,632)	(52,170)
Decrease (increase) in other financial assets	6,986	(7,073)
Decrease in deferred tax assets	4,870	2,784
(Decrease) increase in provisions	(594)	8,901
Increase in deferred tax liabilities	3,589	2,892
Decrease in trade and other payables	(24,183)	(14,045)
Decrease in other financial liabilities	(815)	(5,509)
Increase in deferred income	783	6,612
Decrease in income tax payable	(26,244)	(7,954)
NET CASH FLOWS FROM OPERATING ACTIVITIES	**355,477**	**383,520**

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

CAPITAL STRUCTURE AND RISK MANAGEMENT

21 NOTES TO THE STATEMENT OF CASH FLOWS (CONTINUED)

(c) FINANCE FACILITIES

	CONSOLIDATED 2022 $'000	CONSOLIDATED 2021 $'000
Working capital and bank overdraft facility		
Used	-	-
Unused	-	9,800
	-	9,800
Finance facility		
Used	69,000	147,000
Unused	50,000	82,000
	119,000	229,000
Bank guarantee facility		
Used	-	-
Unused	-	200
	-	200
Interchangeable facility		
Used	4,413	4,268
Unused	8,587	8,732
	13,000	13,000
Total facilities		
Used	73,413	151,268
Unused	58,587	100,732
TOTAL	**132,000**	**252,000**

CASH AND CASH EQUIVALENTS ACCOUNTING POLICY

Cash and cash equivalents in the statement of financial position comprise cash on hand and in banks, money market investments readily convertible to cash within two working days and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

22 INTEREST-BEARING LIABILITIES

	CONSOLIDATED 2022 $'000	CONSOLIDATED 2021 $'000
CURRENT		
Bank loans ** secured	-	69,000
TOTAL INTEREST-BEARING LIABILITIES	**-**	**69,000**
NON-CURRENT		
Bank loans* unsecured	-	77,834
Bank loans ** secured	69,000	-
TOTAL INTEREST-BEARING LIABILITIES	**69,000**	**77,834**

* Bank loans are subject to a negative pledge and cross guarantee within the Just Group Ltd group. Premier Investments Limited is not a participant or guarantor of the Just Group Ltd financing facilities.

** Premier Investments Limited obtained bank borrowings amounting to $69 million. A $19 million borrowing is secured by a mortgage over Land and Buildings, representing the National Distribution Centre in Truganina, Victoria. During the year ended 30 July 2022, this borrowing was refinanced and is repayable in full at the end of 5 years, being January 2027. Premier Investments Limited obtained a further $50 million borrowing which is secured by a mortgage over Land and Buildings, representing an office building in Melbourne, Victoria. During the year ended 30 July 2022, this borrowing was refinanced and is repayable in full at the end of 5 years, being December 2026.

(a) *Fair values*

The carrying values of the Group's current and non-current interest-bearing liabilities approximate their fair values.

(b) *Defaults and breaches*

During the current and prior years, there were no defaults or breaches on any of the loans.

(c) *Changes in interest-bearing liabilities arising from financing activities*

	CONSOLIDATED			
	31 JULY 2021 $'000	CASH FLOWS $'000	OTHER $'000	30 JULY 2022 $'000
Non-current interest-bearing liabilities	146,834	(77,834)	-	69,000
TOTAL INTEREST-BEARING LIABILITIES	**146,834**	**(77,834)**	**-**	**69,000**

'Other' includes the effect of the amortisation of the capitalised borrowing costs, which are amortised over the life of the facility.

INTEREST-BEARING LIABILITIES ACCOUNTING POLICY

Interest-bearing liabilities are initially recognised at the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, such items are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Fees paid on the establishment of loan facilities are amortised over the life of the facility while on-going borrowing costs are expensed as incurred.

CAPITAL STRUCTURE AND RISK MANAGEMENT

	CONSOLIDATED	
	2022 $'000	2021 $'000
23 CONTRIBUTED EQUITY		
Ordinary share capital	608,615	608,615

	NO. ('000)	$'000
(a) MOVEMENTS IN SHARES ON ISSUE		
Ordinary shares on issue 1 August 2021	158,864	608,615
Ordinary shares issued during the year (i)	129	-
Ordinary shares on issue at 30 July 2022	**158,993**	**608,615**
Ordinary shares on issue 26 July 2020	158,724	608,615
Ordinary shares issued during the year (i)	140	-
Ordinary shares on issue at 31 July 2021	**158,864**	**608,615**

Fully paid ordinary shares carry one vote per share and carry the rights to dividends.

(i) A total of 129,077 ordinary shares (2021: 139,524) were issued in relation to the performance rights plan.

(b) CAPITAL MANAGEMENT

The Group's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders. The Group also aims to maintain a capital structure that ensures the lowest cost of capital available to the Group.

The capital structure of the Group consists of debt which includes interest-bearing borrowings, cash and cash equivalents and equity attributable to the equity holders of Premier Investments Limited, comprising of contributed equity, reserves and retained earnings.

The Group operates primarily through its two business segments, investments and retail. The investments segment is managed and operated through the parent company. The retail segment operates through subsidiaries established in their respective markets and maintains a central borrowing facility through a subsidiary, to meet the retail segment's funding requirements and to enable the Group to find the optimal debt and equity balance.

The Group's capital structure is reviewed on a periodic basis in the context of prevailing market conditions, and appropriate steps are taken to ensure the Group's capital structure and capital management initiatives remain in line with the Board's objectives.

(c) EXTERNALLY IMPOSED CAPITAL REQUIREMENTS

Just Group Ltd, a subsidiary of Premier Investments Limited, is subject to a number of financial undertakings as part of its financing facility agreement. These undertakings have been satisfied during the period.

The Group is not subject to any capital requirements imposed by regulators or other prudential authorities.

	CONSOLIDATED	
	2022 $'000	2021 $'000
24 RESERVES		
RESERVES COMPRISE:		
Capital profits reserve	464	464
Foreign currency translation reserve (a)	8,604	2,801
Cash flow hedge reserve (b)	61	4,377
Performance rights reserve (c)	27,313	21,215
Fair value reserve (d)	(40,729)	(38,858)
TOTAL RESERVES	**(4,287)**	**(10,001)**

(a) *FOREIGN CURRENCY TRANSLATION RESERVE*

Nature and purpose of reserve

Reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

	2022 $'000	2021 $'000
- *Movements in the reserve*		
Opening balance	2,801	5,781
Foreign currency translation of overseas subsidiaries	(3,092)	802
Net movement in associate entity's reserves	8,895	(3,782)
CLOSING BALANCE	**8,604**	**2,801**

(b) *CASH FLOW HEDGE RESERVE*

Nature and purpose of reserve

Reserve records the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge.

	2022 $'000	2021 $'000
- *Movements in the reserve*		
Opening balance	4,377	(4,419)
Net gain (loss) on cash flow hedges	3,561	(3,258)
Transferred to statement of financial position/ profit or loss	(9,727)	15,826
Deferred income tax movement on cash flow hedges	1,850	(3,772)
CLOSING BALANCE	**61**	**4,377**

	CONSOLIDATED	
	2022 $'000	2021 $'000
24 RESERVES (CONTINUED)		
(c) PERFORMANCE RIGHTS RESERVE		
Nature and purpose of reserve		
Reserve is used to record the cumulative amortised value of performance rights issued to key senior employees, net of the value of performance shares acquired under the performance rights plan.		
- *Movements in the reserve*		
Opening balance	21,215	19,359
Performance rights expense for the year	6,098	1,856
CLOSING BALANCE	**27,313**	**21,215**
(d) FAIR VALUE RESERVE		
Nature and purpose of reserve		
Reserve is used to record unrealised gains and losses on fair value revaluation of listed equity investment at fair value.		
- *Movements in the reserve*		
Opening balance	(38,858)	(59,032)
Unrealised (loss) gain on revaluation of listed investment	(2,673)	28,820
Net Deferred income tax movement on listed investment	802	(8,646)
CLOSING BALANCE	**(40,729)**	**(38,858)**

25 OTHER FINANCIAL INSTRUMENTS

	CONSOLIDATED 2022 $'000	2021 $'000
CURRENT ASSETS		
Derivatives designated as hedging instruments		
Forward currency contracts – cash flow hedges	87	7,073
TOTAL CURRENT ASSETS	**87**	**7,073**
CURRENT LIABILITIES		
Derivatives designated as hedging instruments		
Interest rate swaps – cash flow hedges	-	815
TOTAL CURRENT LIABILITIES	**-**	**815**

(a) DERIVATIVE INSTRUMENTS USED BY THE GROUP

(i) Forward currency contracts – cash flow hedges

The majority of the Group's inventory purchases are denominated in US Dollars. In order to protect against exchange rates movements, the Group has entered into forward exchange contracts to predominantly purchase US Dollars.

The forward currency contracts are considered to be highly effective hedges as they are matched against forecast inventory purchases and are timed to mature when payments are scheduled to be made. Any gain or loss on the contracts attributable to the hedge risk are recognised in other comprehensive income and accumulated in the hedge reserve in equity.

The cash flows are expected to occur between one to twelve months from 30 July 2022 and the profit or loss within cost of sales will be affected over the next year as the inventory is sold.

(ii) Interest rate swaps – cash flow hedges

The Group has entered into interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts on certain of its interest-bearing liabilities. These interest rate swap contracts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest rate payments on the loans occur simultaneously. The amount accumulated in the hedge reserve in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

CAPITAL STRUCTURE AND RISK MANAGEMENT

25 OTHER FINANCIAL INSTRUMENTS (CONTINUED)

(a) DERIVATIVE INSTRUMENTS USED BY THE GROUP (CONTINUED)

At reporting date, the details of outstanding forward currency contracts are:

	CONSOLIDATED			
	2022 $'000	2021 $'000	2022	2021
Buy USD / Sell AUD	NOTIONAL AMOUNTS $AUD		AVERAGE EXCHANGE RATE	
Maturity < 6 months	-	133,430	-	0.7725
Maturity 6 – 12 months	-	27,016	-	0.7403
Buy USD / Sell NZD	NOTIONAL AMOUNTS $NZD		AVERAGE EXCHANGE RATE	
Maturity < 6 months	1,153	22,990	0.6853	0.7267
Maturity 6 – 12 months	-	-	-	-

OTHER FINANCIAL INSTRUMENTS AND HEDGING ACCOUNTING POLICY

The Group uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. These derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value at subsequent reporting dates.

Derivatives are carried as financial assets when their fair value is positive and as financial liabilities when their fair value is negative. Any gains or losses arising from changes in the fair value of derivatives, except for those that qualify as cash flow hedges and are considered to be effective, are taken directly to profit or loss for the period.

Cash flow hedges

Cash flow hedges are hedges of the Group's exposure to variability in cash flows that is attributable to highly probable future purchases as well as cash flows attributable to a particular risk associated with a recognised asset or liability that is a firm commitment and that could affect the statement of comprehensive income. The Group's cash flow hedges that meet the strict criteria for hedge accounting are accounted for by recognising the effective portion of the gain or loss on the hedging instrument directly in other comprehensive income and accumulated in the cash flow hedge reserve in equity, while the ineffective portion due to counterparty credit risk is recognised in profit or loss. Amounts taken to equity are reclassified out of equity and included in the measurement of the hedged transaction (finance costs or inventory purchases) when the forecast transaction occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked (due to being ineffective), amounts previously recognised in equity remain in equity until the forecast transaction occurs.

CAPITAL STRUCTURE AND RISK MANAGEMENT

26 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The Group's principal financial instruments comprise cash and cash equivalents, derivative financial instruments, listed equity investments at fair value, receivables, payables, bank overdrafts and interest-bearing liabilities.

RISK EXPOSURES AND RESPONSES

The Group manages its exposure to key financial risks in accordance with Board-approved policies which are reviewed annually and includes liquidity risk, foreign currency risk, interest rate risk and credit risk. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include, monitoring levels of exposure to interest rate and foreign exchange risk and assessment of market forecasts for interest rate and foreign exchange prices. Liquidity risk is monitored through development of future cash flow forecast projections.

CREDIT RISK

The overwhelming majority of the Group's sales are on cash terms with settlement within 24 hours. As such, the Group's exposure to credit risk is minimal. Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

There are no significant concentrations of credit risk within the Group and financial instruments are spread amongst a number of financial institutions.

With respect to credit risk arising mainly from cash and cash equivalents and certain derivative instruments, the Group's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Since the Group trades only with recognised creditworthy third parties, there is no requirement for collateral by either party.

Credit risk for the Group also arises from financial guarantees that members of the Group act as guarantor. At 30 July 2022, the maximum exposure to credit risk of the Group is the amount guaranteed as disclosed in note 34.

INTEREST RATE RISK

The Group's exposure to market interest rates relates primarily to its cash and cash equivalents that it holds and interest-bearing liabilities.

At reporting date, the Group had the following mix of financial assets and liabilities exposed to variable interest rate risk that are not designated in cash flow hedges:

		CONSOLIDATED	
	NOTES	2022 $'000	2021 $'000
Financial Assets			
Cash and cash equivalents	21	471,273	523,356
		471,273	523,356
Financial Liabilities			
Bank loans AUD	22	69,000	146,834
		69,000	146,834
NET FINANCIAL ASSETS		**402,273**	**376,522**

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

CAPITAL STRUCTURE AND RISK MANAGEMENT

26 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

INTEREST RATE RISK (CONTINUED)

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's objective of managing interest rate risk is to minimise the Group's exposure to fluctuations in interest rates that might impact its interest revenue, interest expense and cash flow. The Group manages this by locking in a portion of its cash and cash equivalents into term deposits. The maturity of term deposits is determined based on the Group's cash flow forecast.

The Group manages its interest rate risk relating to interest-bearing liabilities by having access to both fixed and variable rate debt which can be drawn down.

i) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of cash and cash equivalents and interest-bearing liabilities affected. A 100 (2021:100) basis point increase and decrease in Australian interest rates represents management's assessment of the reasonably possible change in interest rates. The table indicates an increase or decrease in the Group's profit before tax.

	POST-TAX PROFIT TO INCREASE (DECREASE) BY:	
Impacts of reasonably possible movements:	**2022 $'000**	**2021 $'000**
CONSOLIDATED		
+1.0% (100 basis points)	3,024	3,117
-1.0% (100 basis points)	(3,024)	(3,117)

Significant assumptions used in the interest rate sensitivity analysis include:

- Reasonably possible movements in interest rates were determined based on the Group's current credit rating and mix of debt in Australian and foreign countries, relationships with financial institutions, the level of debt that is expected to be renewed as well as a review of the last two years' historical movements and economic forecasters' expectations.
- The net exposure at reporting date is representative of what the Group was and is expecting to be exposed to in the next twelve months.
- The sensitivity analysis assumes all other variables are held constant, and the change in interest rates take place at the beginning of the financial year and are held constant throughout the reporting period.

FOREIGN OPERATIONS

The Group has operations in Australia, New Zealand, Singapore, Hong Kong, Malaysia, The Republic of Ireland and the United Kingdom. As a result, movements in the Australian Dollar and the currencies applicable to these foreign operations affect the Group's statement of financial position and results from operations. From time to time the Group obtains New Zealand Dollar denominated financing facilities from a financial institution to provide a natural hedge of the Group's exposure to movements in the Australian Dollar and New Zealand Dollar (AUD/NZD) on translation of the New Zealand statement of financial position. In addition, the Group, on occasion, hedges its cash flow exposure to movements in the AUD/NZD. The Group also on occasion, hedges its cash flow exposure in movements in the AUD/SGD and AUD/GBP.

CAPITAL STRUCTURE AND RISK MANAGEMENT

26 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

FOREIGN CURRENCY TRANSACTIONS

The Group has exposures to foreign currencies principally arising from purchases by operating entities in currencies other than their functional currency. Over 80% of the Group's purchases are denominated in United States Dollar (USD), which is not the functional currency of any Australian entities or any of the foreign operating entities.

The Group considers its exposure to USD arising from the purchases of inventory to be a long-term and ongoing exposure. In order to protect against exchange rate movements, the Group enters into forward exchange contracts to purchase US Dollars. These forward exchange contracts are designated as cash flow hedges that are subject to movements through equity and profit or loss respectively as foreign exchange rates move.

The Group's foreign currency risk management policy provides guidelines for the term over which foreign currency hedging will be undertaken for part or all of the risk. This term cannot exceed two years. Factors taken into account include:

- the implied market volatility for the currency exposure being hedged and the cost of hedging, relative to long-term indicators;
- the level of the base currency against the currency risk being hedged, relative to long-term indicators;
- the Group's strategic decision-making horizon; and
- other factors considered relevant by the Board

The policy requires periodic reporting to the Audit and Risk Committee, and its application is subject to oversight from the Chairman of the Audit and Risk Committee or the Chairman of the Board. The policy allows the use of forward exchange contracts and foreign currency options.

At reporting date, the Group had the following exposures to movements in the United States Dollar (USD), New Zealand Dollar (NZD), Singapore Dollar (SGD), Pound Sterling (GBP), Hong Kong Dollar (HKD), Malaysian Ringgit (MYR), and Euro (EUR):

2022 CONSOLIDATED	USD $'000	NZD $'000	SGD $'000	GBP $'000	HKD $'000	MYR $'000	EUR $'000
FINANCIAL ASSETS							
Cash and cash equivalents	7,616	29,779	13,015	19,767	-	7,295	793
Trade and other receivables	876	-	58	-	-	-	-
Derivative financial assets	87	-	-	-	-	-	-
	8,579	29,779	13,073	19,767	-	7,295	793
FINANCIAL LIABILITIES							
Trade and other payables	44,395	5,757	1,043	3,850	-	-	-
Derivative financial liabilities	-	-	-	-	-	-	-
	44,395	5,757	1,043	3,850	-	-	-
NET EXPOSURE	**(35,816)**	**24,022**	**12,030**	**15,917**	**-**	**7,295**	**793**

The Group has forward currency contracts designated as cash flow hedges that are subject to movements through other comprehensive income and profit or loss respectively as foreign exchange rates move (refer to Note 24).

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

CAPITAL STRUCTURE AND RISK MANAGEMENT

26 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

FOREIGN CURRENCY TRANSACTIONS (CONTINUED)

2021 CONSOLIDATED	USD $'000	NZD $'000	SGD $'000	GBP $'000	HKD $'000	MYR $'000	EUR $'000
FINANCIAL ASSETS							
Cash and cash equivalents	11,400	52,035	23,807	18,484	6	2,210	716
Trade and other receivables	678	-	19	-	-	-	-
Derivative financial assets	7,073	-	-	-	-	-	-
	19,151	52,035	23,826	18,484	6	2,210	716
FINANCIAL LIABILITIES							
Trade and other payables	51,287	7,539	339	4,490	-	-	-
Derivative financial liabilities	-	-	-	-	-	-	-
	51,287	7,539	339	4,490	-	-	-
NET EXPOSURE	**(32,136)**	**44,496**	**23,487**	**13,994**	**6**	**2,210**	**716**

FOREIGN CURRENCY RISK

The following sensitivity is based on the foreign exchange risk exposures in existence at the reporting date:

CONSOLIDATED Impacts of reasonably possible movements:	POST-TAX PROFIT HIGHER/(LOWER) 2022 $'000	 2021 $'000	OTHER COMPREHENSIVE INCOME HIGHER/(LOWER) 2022 $'000	 2021 $'000
CONSOLIDATED				
AUD/USD + 10% (2021: + 2.5%)	3,263	1,023	(96)	(4,603)
AUD/USD – 10.0%	(3,989)	(4,111)	1	19,815
AUD/NZD + 10% (2021: + 2.5%)	(2,184)	(1,085)	-	-
AUD/NZD – 10.0%	2,669	4,944	-	-
AUD/SGD + 10% (2021: + 2.5%)	(1,094)	(573)	-	-
AUD/SGD – 10.0%	1,337	2,610	-	-
AUD/GBP + 10% (2021: + 2.5%)	(1,447)	(341)	-	-
AUD/GBP – 10.0%	1,769	1,555	-	-
AUD/HKD + 10% (2021: + 2.5%)	-	-	-	-
AUD/HKD – 10.0%	-	1	-	-
AUD/MYR + 10% (2021: + 2.5%)	(663)	(54)	-	-
AUD/MYR – 10.0%	811	246	-	-
AUD/EUR + 10% (2021: + 2.5%)	(72)	(17)	-	-
AUD/EUR – 10.0%	88	80	-	-

CAPITAL STRUCTURE AND RISK MANAGEMENT

26 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

FOREIGN CURRENCY RISK (CONTINUED)

Significant assumptions used in the foreign currency exposure sensitivity analysis include:

- Reasonably possible movements in foreign exchange rates were determined based on a review of the last two years historical movements and economic forecasters' expectations.
- The net exposure at reporting date is representative of what the Group was and is expecting to be exposed to in the next twelve months from reporting date.
- The effect on other comprehensive income is the effect on the cash flow hedge reserve.
- The sensitivity does not include financial instruments that are non-monetary items as these are not considered to give rise to currency risk.

LIQUIDITY RISK

Liquidity risk refers to the risk of encountering difficulties in meeting obligations associated with financial liabilities and other cash flow commitments. Liquidity risk management is ensuring that there are sufficient funds available to meet financial commitments in a timely manner and planning for unforeseen events which may curtail cash flows and cause pressure on liquidity. The Group keeps its short-, medium- and long-term funding requirements under constant review. Its policy is to have sufficient committed funds available to meet medium term requirements, with flexibility and headroom to make acquisitions for cash in the event an opportunity should arise.

The Group has, at reporting date, $204.0 million (2021: $385.8 million) cash held in deposit with 11am at call and the remaining $267.3 million (2021: $137.5 million) cash held in deposit with maturity terms ranging from 30 to 180 days (2021: 30 to 180 days). Hence management believe there is no significant exposure to liquidity risk at 30 July 2022 and 31 July 2021.

The Group aims to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans with a variety of counterparties.

At reporting date, the remaining undiscounted contractual maturities of the Group's financial liabilities are:

	CONSOLIDATED			
	FINANCIAL YEAR ENDED 30 JULY 2022		FIANCIAL YEAR ENDED 31 JULY 2021	
CONSOLIDATED	MATURITY 0 - 12 MONTHS	MATURITY > 12 MONTHS	MATURITY 0 - 12 MONTHS	MATURITY > 12 MONTHS
	$'000	$'000	$'000	$'000
FINANCIAL LIABILITIES				
Trade and other payables	143,454	-	164,269	-
Bank loans	-	69,000	69,000	77,834
Lease liabilities	158,290	90,440	159,050	84,810
Forward currency contracts	1,152	-	189,492	-
	302,896	159,440	581,811	162,644

CAPITAL STRUCTURE AND RISK MANAGEMENT

26 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The Group measures financial instruments, such as derivatives and listed equity investments at fair value, 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.

In determining the fair value of an asset or liability, the Group uses market observable data, to the extent possible. The fair value of financial assets and financial liabilities is based on market prices (where a market exists) or using other widely accepted methods of valuation.

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

Level 1 – the fair value is calculated using quoted price in active markets for identical assets or liabilities.

Level 2 – the 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 prices) or indirectly (derived from prices).

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

	CONSOLIDATED					
	FINANCIAL YEAR ENDED 30 JULY 2022			FINANCIAL YEAR ENDED 31 JULY 2021		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
	$'000	$'000	$'000	$'000	$'000	$'000
FINANCIAL ASSETS						
Listed equity investment at fair value	75,932	-	-	63,462	-	-
Foreign Exchange Contracts	-	87	-	-	7,073	-
FINANCIAL LIABILITIES						
Interest Rate Swaps	-	-	-	-	815	-

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

At 30 July 2022 and 31 July 2021, the fair values of cash and cash equivalents, short-term receivables and payables approximate their carrying values. The carrying value of interest-bearing liabilities is considered to approximate the fair value, being the amount at which the liability could be settled in a current transaction between willing parties.

Foreign exchange contracts and interest rate swaps are initially recognised in the statement of financial position at fair value on the date which the contract is entered into, and subsequently remeasured to fair value. Accordingly, the carrying amounts of forward exchange contracts and interest rate swaps approximate their fair values at the reporting date. 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.

GROUP STRUCTURE

27 SUBSIDIARIES

The consolidated financial statements include that of Premier Investments Limited (ultimate parent entity) and the subsidiaries listed in the following table. (* Indicates not trading as at the date of this report)

	COUNTRY OF INCORPORATION	2022 INTEREST	2021 INTEREST
Kimtara Investments Pty Ltd	Australia	100%	100%
Premfin Pty Ltd	Australia	100%	100%
Springdeep Investments Pty Ltd	Australia	100%	100%
Prempref Pty Ltd	Australia	100%	100%
Metalgrove Pty Ltd	Australia	100%	100%
Just Group Limited	Australia	100%	100%
Just Jeans Group Pty Limited	Australia	100%	100%
Just Jeans Pty Limited	Australia	100%	100%
Jay Jays Trademark Pty Limited	Australia	100%	100%
Just-Shop Pty Limited	Australia	100%	100%
Peter Alexander Sleepwear Pty Limited	Australia	100%	100%
Old Blues Pty Limited	Australia	100%	100%
Kimbyr Investments Limited	New Zealand	100%	100%
Jacqui E Pty Limited	Australia	100%	100%
Jacqueline-Eve Fashions Pty Limited *	Australia	100%	100%
Jacqueline-Eve (Hobart) Pty Limited *	Australia	100%	100%
Jacqueline-Eve (Retail) Pty Limited *	Australia	100%	100%
Jacqueline-Eve (Leases) Pty Limited *	Australia	100%	100%
Sydleigh Pty Limited *	Australia	100%	100%
Old Favourites Blues Pty Limited *	Australia	100%	100%
Urban Brands Retail Pty Ltd *	Australia	100%	100%
Portmans Pty Limited	Australia	100%	100%
Dotti Pty Ltd	Australia	100%	100%
Smiggle Pty Limited	Australia	100%	100%
Just Group International Pty Limited *	Australia	100%	100%
Smiggle Group Holdings Pty Limited *	Australia	100%	100%
Smiggle International Pty Limited *	Australia	100%	100%
Smiggle Singapore Pte Ltd	Singapore	100%	100%
Just Group International HK Limited*	Hong Kong	100%	100%
Smiggle HK Limited	Hong Kong	100%	100%
Just Group USA Inc.*	USA	100%	100%
Peter Alexander USA Inc.*	USA	100%	100%
Smiggle USA Inc.*	USA	100%	100%
Just UK International Limited*	UK	100%	100%
Smiggle UK Limited	UK	100%	100%
Peter Alexander UK Limited*	UK	100%	100%
Smiggle Ireland Limited	Ireland	100%	100%
Smiggle Netherlands B.V.*	Netherlands	100%	100%
ETI Holdings Limited*	New Zealand	100%	100%
Roskill Hill Limited*	New Zealand	100%	100%
RSCA Pty Limited*	Australia	100%	100%
RSCB Pty Limited*	Australia	100%	100%
Just Group Singapore Private Ltd *	Singapore	100%	100%
Peter Alexander Singapore Private Ltd *	Singapore	100%	100%
Smiggle Stores Malaysia SDN BHD	Malaysia	100%	100%

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

GROUP STRUCTURE

28 PARENT ENTITY INFORMATION

The accounting policies of Premier Investments Limited, being the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

	2022 $'000	2021 $'000
(a) Summary financial information		
Statement of financial position		
Current assets	334,021	212,017
Total assets	**1,656,004**	**1,482,514**
Current liabilities	30,690	77,725
Total liabilities	**117,370**	**136,742**
Shareholders' equity		
Issued capital	608,615	608,615
Reserves:		
- Foreign currency translation reserve	9,554	659
- Performance rights reserve	27,313	21,215
- Cash flow hedge reserve	-	(157)
Retained earnings	893,152	715,440
Net profit for the period	323,984	190,558
Total comprehensive loss for the period, net of tax	9,053	(3,492)

(b) Guarantees entered into by the parent entity

The parent entity has provided no financial guarantees in respect of bank overdrafts and loans of subsidiaries (2021: $nil).

The parent entity has also given no unsecured guarantees in respect of finance leases of subsidiaries or bank overdrafts of subsidiaries (2021: $nil).

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 July 2022 (2021: $nil).

(d) Contractual commitments for the acquisition of property, plant or equipment

The parent entity did not have any contractual commitments to purchase property, plant and equipment as at 30 July 2022 or 31 July 2021.

GROUP STRUCTURE

29 DEED OF CROSS GUARANTEE

Pursuant to *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785*, dated 17 December 2016, relief has been granted to certain wholly-owned subsidiaries in the Australian Group from the Corporations law requirements for preparation, audit and lodgement of financial reports.

As a condition of this instrument, Just Group Limited, a subsidiary of Premier Investments Limited, and each of the controlled entities of Just Group Limited entered into a Deed of Cross Guarantee as at 25 June 2009. Premier Investments Limited is not a party to the Deed of Cross Guarantee.

30 RELATED PARTY TRANSACTIONS

(a) *PARENT ENTITY AND SUBSIDIARIES*

The ultimate parent entity is Premier Investments Limited. Details of subsidiaries are provided in note 27.

(b) *KEY MANAGEMENT PERSONNEL*

	CONSOLIDATED	
	2022 $	2021 $
COMPENSATION FOR KEY MANAGEMENT PERSONNEL		
Short-term employee benefits	5,635,732	7,711,779
Post-employment benefits	103,272	109,379
Share-based payments	4,491,427	89,054
TOTAL	**10,230,431**	**7,910,212**

(c) *RELATED PARTY TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL*

Mr. Lanzer is the managing partner of the legal firm Arnold Bloch Leibler. Group companies use the services of Arnold Bloch Leibler from time to time. Legal services totalling $1,479,010 (2021: $2,809,669), including Mr. Lanzer's Director fees, GST and disbursements were invoiced by Arnold Bloch Leibler to the Group, with $114,909 (2021: $544,387) remaining outstanding at year-end. The fees paid for these services were at arm's length and on normal commercial terms.

Mr. Lanzer is a director of Loch Awe Pty Ltd. During the year, lease payments totalling $388,556 (2021: $42,158 including GST was paid to Loch Awe Pty Ltd, with $nil outstanding rent payments at year-end (2021: $177,852). The payments were at arm’s length and on normal commercial terms.

Mr. Lew is a director of Voyager Distributing Company Pty Ltd. During the year, purchases totalling $19,597,245 (2021: $22,990,422) including GST have been made by Group companies from Voyager Distributing Co. Pty Ltd, with $4,154,029 (2021: $9,843,740) remaining outstanding at year-end. The purchases were all at arm’s length and on normal commercial terms.

Mr. Lew is a director of Century Plaza Trading Pty. Ltd. The company and Century Plaza Trading Pty Ltd are parties to a Services Agreement to which Century Plaza Trading agrees to provide certain administrative services to the company to the extent required and requested by the company. The company is required to reimburse Century Plaza Trading for costs it incurs in providing the company with the services under the Service Agreement. The company reimbursed a total of $440,000 (2021: $561,000) costs including GST incurred by Century Plaza Trading Pty Ltd, with $198,000 (2021: $nil) remaining outstanding at year-end.

Notes to the Financial Statements

For the 52 weeks ended 30 July 2022 and the 53 weeks ended 31 July 2021 (continued)

OTHER DISCLOSURES

	CONSOLIDATED	
	2022 **$**	**2021** **$**
31 AUDITOR'S REMUNERATION		
The auditor of Premier Investments Limited is Ernst & Young (Australia). Amounts received, or due and receivable, by Ernst & Young (Australia) for:		
Audit or review of the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	565,550	709,350
Other assurance services or agreed-upon-procedures under other legislation or contractual arrangements not required to be performed by the auditor	39,678	39,287
Other non-audit services	11,613	11,613
SUB-TOTAL	616,841	760,250
Amounts received, or due and receivable, by overseas member firms of Ernst & Young (Australia) for:		
Audit of the financial report of any controlled entities	216,000	230,940
TOTAL AUDITOR'S REMUNERATION	**832,841**	**991,190**

32 SHARE-BASED PAYMENT PLANS

(a) *RECOGNISED SHARE-BASED PAYMENT EXPENSE*

	CONSOLIDATED	
	2022 **$'000**	**2021** **$'000**
TOTAL EXPENSE ARISING FROM EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS	**6,098**	**1,856**

(b) *TYPE OF SHARE-BASED PAYMENT PLANS*

Performance rights

The Group grants performance rights to executives, thus ensuring that the executives who are most directly able to influence the Group's performance are appropriately aligned with the interests of shareholders.

A performance right is a right to acquire one fully paid ordinary share of the Group after meeting pre-determined performance conditions. These performance conditions have been discussed in the Remuneration Report section of the Directors' Report.

OTHER DISCLOSURES

32 SHARE-BASED PAYMENT PLANS (CONTINUED)

(b) TYPE OF SHARE-BASED PAYMENT PLANS (CONTINUED)

Performance rights (continued)

The fair value of the performance rights has been calculated as at the respective grant dates using an appropriate valuation technique. The valuation model applied, being either the Monte-Carlo simulation pricing model or the Black-Scholes European pricing model, is dependent on the assumptions underlying the performance rights granted to ensure these are appropriately factored into the determination of fair value.

In determining the share-based payments expense for the period, the number of instruments expected to vest has been adjusted to reflect the number of executives expected to remain with the Group until the end of the performance period, as well as the probability of not meeting the Total Shareholder Return ("TSR") performance hurdles, where applicable.

The following table shows the share-based payment arrangements in existence during the current and prior reporting periods, as well as the factors considered in determining the fair values of the performance rights in existence:

GRANT DATE (DD/MM/YYYY)	NUMBER OF RIGHTS GRANTED	SHARE ISSUE PRICE	OPTION LIFE	DIVIDEND YIELD	VOLATILITY	RISK-FREE RATE	FAIR VALUE
19/02/2018	148,237	$12.91	2.5 years	3.4%	16%	2.14%	$7.85
12/04/2019	124,472	$18.18	2.5 years	3.4%	30%	1.44%	$6.81
01/05/2020	544,809	$13.21	2.5 – 4 years	3.5%	36%	0.40%	$8.33
02/12/2021	600,000	$30.58	3 – 6 years	3.6%	24%	0.87%	$17.40
02/12/2021	200,000	$30.58	1 – 4 years	3.6%	24%	0.81%	$27.25
01/07/2022	67,265	$22.30	1 – 3 years	3.6%	30%	2.32%	$20.66

(c) SUMMARY OF RIGHTS GRANTED UNDER PERFORMANCE RIGHTS PLANS

The following table illustrates the number (No.) and weighted average exercise prices ("WAEP") of, and movements in, performance rights issued during the year:

	2022 No.	2022 WAEP	2021 No.	2021 WAEP
Balance at beginning of the year	673,886	-	813,410	-
Granted during the year	867,265	-	-	-
Exercised during the year (i)	(129,077)	-	(139,524)	-
Expired during the year	-	-	-	-
Balance at the end of the year	**1,412,074**	**-**	**673,886**	**-**

(i) The weighted average share price at the date of exercise of rights exercised during the year was $32.29 (2021: $21.77).

Since the end of the financial year and up to the date of this report, no performance rights have been exercised, no performance rights have been forfeited and no performance rights have expired.

(d) WEIGHTED AVERAGE FAIR VALUE

The weighted average fair value of performance rights granted during the year was $19.92 (2021: $nil).

OTHER DISCLOSURES

32 SHARE-BASED PAYMENT PLANS (CONTINUED)

SHARE-BASED PAYMENT ACCOUNTING POLICIES

The Group provides benefits to its employees in the form of share-based payments, whereby employees render services in exchange for rights over shares (equity-settled transactions). The plan in place to provide these benefits is a long-term incentive plan known as the performance rights plan (“PRP”).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instrument at the date at which they are granted.

The cost of equity-settled transactions is recognised in profit or loss, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to profit or loss in the statement of comprehensive income is the product of: the grant date fair value of the award, the extent to which the vesting period has expired, and the current best estimate of the number of awards that will vest as at the grant date.

The charge to profit or loss for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding entry to equity.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vested, irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and service conditions are met.

KEY ACCOUNTING ESTIMATES AND ASSUMPTIONS

The fair value of share-based payment transactions is determined at the grant date using an appropriate valuation model, which takes into account the terms and conditions upon which the instruments were granted to key executives. The terms and conditions require estimates to be made of the number of equity instruments expected to vest, as well as the probabilities of meeting the relevant TSR performance hurdles. These accounting estimates and assumptions would have no impact on the carrying amounts of assets or liabilities within the next annual reporting period, but may impact the share-based payment expense and performance rights reserve within equity.

33 EVENTS AFTER THE REPORTING DATE

The Directors of Premier Investments Limited approved a final dividend in respect of the 2022 financial year. The total amount of the final dividend is $85,856,000 (2021: $73,137,000) which represents a fully franked dividend of 54 cents per share (2021: 46 cents per share). In addition, the Directors of Premier Investments Limited approved a special dividend in respect of the 2022 financial year. The total amount of the special dividend is $39,748,000 (2021: $nil) which represents a fully franked dividend of 25 cents per share (2021: nil cents per share). The dividends have not been provided for in the 2022 financial statements.

The Directors of Premier Investments Limited approved an on-market share buyback of up to $50 million. The on-market share buyback will be for a period of 12 months, from 18 October 2022 to 17 October 2023. The total number of shares to be purchased under the on-market share buyback will be dependent on business and market conditions and Premier may, at its discretion, vary the size of the on-market share buyback.

34 CONTINGENT LIABILITIES

The Group has bank guarantees and outstanding letters of credit totalling $4,413,392 (2021: $4,267,668).

Directors' Declaration

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

In the opinion of the Directors:

(a) the financial statements and notes of Premier Investments Limited for the financial year ended 30 July 2022 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the consolidated entity's financial position as at 30 July 2022 and of its performance for the financial year ended on that date, and

(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.

(c) in the opinion of the directors, as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.

Note 2(b) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declaration by the Chief Financial Officer required by section 295A of the *Corporations Act 2001* for the financial year ended 30 July 2022.

On behalf of the Board

Solomon Lew
Chairman

3 October 2022

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Independent auditor's report to the members of Premier Investments Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Premier Investments Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 July 2022, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is 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 July 2022 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

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Carrying value of intangible assets

Why significant	How our audit addressed the key audit matter
As at 30 July 2022, the Group held $823.3 million (or 35.7% of total assets) in goodwill and indefinite-life brand names recognised from historical business combinations. As outlined in Note 18 of the financial report, the goodwill and brand names are tested by the Group for impairment annually. The recoverable amount of these assets was determined based on a value in use model referencing discounted cash flows of the retail segment for goodwill, and the casual wear, women's wear and non-apparel cash generating units (CGUs) for brand names. The model contains estimates and significant judgements regarding future cash flow projections which are critical to the assessment of impairment, particularly planned sales growth in the casual wear and women's wear CGUs and discount rates applied. Significant assumptions used in the impairment testing referred to above are inherently subjective and in times of economic uncertainty the degree of subjectivity is higher than it might otherwise be. Changes in certain assumptions can lead to significant changes in the recoverable amount of these assets. Accordingly, given the significant judgements and estimates involved in assessing impairment of intangible assets we considered this a key audit matter. For the same reasons we consider it important that attention is drawn to the information in Note 18.	Our audit procedures included the following: ▶ Assessed the application of the valuation methodologies applied. ▶ Evaluated whether the determination of CGUs was in accordance with Australian Accounting Standards. ▶ Agreed the cashflows within the impairment model to forecast cashflows. ▶ Considered the impact of COVID-19 on the cash flow assumptions used in the impairment model. ▶ Considered the historical accuracy of the Group's cash flow forecasting process. ▶ Compared the forecast cash flows used in the value in use model to the actual current year financial performance of the underlying CGUs for reasonability. ▶ Assessed key inputs being discount rates, relief from royalty rates and sales growth rates adopted in the value in use model including comparison to available market data for comparable businesses. ▶ Performed sensitivity analysis on key inputs and assumptions included in the forecast cashflows and impairment models including the discount rates, to assess the risk of the CGU carrying value exceeding the recoverable amount. ▶ Compared earnings multiples derived from the Group's value in use model to those observable from external market data of comparable listed entities. ▶ Assessed the adequacy of the disclosures included in the financial report. Our valuation specialists were involved in the conduct of these procedures where considered relevant.

Existence and valuation of inventory

Why significant	How our audit addressed the key audit matter
As at 30 July 2022, the Group held $224.4 million in inventories. Inventories are held at several distribution centres, as well as at over 1,200 retail stores. As detailed in Note 10 of the financial report, inventories are valued at the lower of cost and net realisable value. The cost of finished goods includes a proportion of purchasing department costs, as well as freight, handling, and warehouse costs incurred to deliver the goods to the point of sale. Provisions are recorded for matters such as aged and slow-moving inventory to ensure inventory is recorded at the lower of cost and net realisable value. This requires a level of judgement with regard to changing consumer demands and fashion trends. Such judgements include the Group's expectations for future sales and inventory mark downs.	Our audit procedures included the following: ▶ Assessed the application of valuation methodologies applied for compliance with Australian Accounting Standards. ▶ Assessed the effectiveness of relevant controls over the determination of standard costs ▶ Selected a sample of inventory lines and recalculated costs based on supporting supplier invoices and assessed the allocation of costs absorbed from the purchasing department, freight and warehouse costs. ▶ Attended store and distribution centre inventory counts on a sample basis and assessed the stock counting process which addressed inventory quantity and condition.

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Why significant	How our audit addressed the key audit matter
Accordingly, the existence and valuation of inventory was considered to be a key audit matter.	▶ Assessed the basis for inventory provisions, including the rationale for recording specific provisions. In doing so we examined the ageing profile of inventory, considered how the Group identified specific slow-moving inventories, assessed future selling prices and historical loss rates. ▶ Tested the slow-moving inventory reports for accuracy and completeness. Considered the completeness of inventory provisions by identifying mark down sales at or subsequent to year end.

AASB 16 Leases

Why significant	How our audit addressed the key audit matter
The Group holds a significant volume of leases by number and value over retail sites as a lessee, which makes the impact of this standard significant to the financial statements of the Group. The recognition and measurement of remeasured lease agreements executed during the year in accordance with AASB 16 *Leases* ("AASB 16") are dependent on a number of key judgements and estimates. These include: ▶ The treatment of the option to extend the lease term under holdover; ▶ The impact of COVID-19 rental abatements and backdated rent variations; and ▶ The calculation of incremental borrowing rates. Accordingly, given the significant judgements and estimates involved in assessing the treatment of lease remeasurements we considered this a key audit matter.	Our audit procedures included the following: ▶ Assessed the mathematical accuracy of the Group's AASB 16 lease calculation model. ▶ For a sample of leases, agreed the Group's inputs in the AASB 16 lease calculation model in relation to those leases, such as, key dates, fixed and variable rent payments, renewal options and incentives, to the relevant terms of the underlying signed lease agreements. ▶ Assessed the accounting treatment applied to renegotiated lease agreements during the year, including the impact of abatements and backdated rental savings on the lease balances recognised. ▶ Considered the Group's assumptions in relation to the treatment of the option to extend and lease term under holdover. ▶ Assessed the incremental borrowing rates used to discount future lease payments to present value. ▶ Assessed the adequacy of the disclosures included in the financial report. We assessed the Group's calculations of the financial impact of the standard and the accounting policies, estimates and judgements made in respect of the Group's right of use assets and lease liabilities, as well as related depreciation and interest expense recognised through the Consolidated Statement of Comprehensive Income.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2022 annual report other than the financial report and our auditor's report thereon. We obtained the directors' report that is to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 32 of the directors' report for the year ended 30 July 2022.

In our opinion, the Remuneration Report of Premier Investments Limited for the year ended 30 July 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

Glenn Carmody
Partner

Melbourne, Australia
3 October 2022

ASX Additional Information

As at 26 September 2022

TWENTY LARGEST SHAREHOLDERS

NAME	TOTAL	% IC	RANK
CENTURY PLAZA INVESTMENTS PTY LTD	51,569,400	32.44%	1
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	26,422,033	16.62%	2
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	22,908,988	14.41%	3
CITICORP NOMINEES PTY LIMITED	12,019,969	7.56%	4
METREPARK PTY LTD	8,235,331	5.18%	5
SL SUPERANNUATION NO 1 PTY LTD <SL SUPER FUND NO 1 A/C>	4,437,699	2.79%	6
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	3,605,685	2.27%	7
BNP PARIBAS NOMS PTY LTD <DRP>	3,365,480	2.12%	8
NATIONAL NOMINEES LIMITED	2,908,961	1.83%	9
LINFOX SHARE INVESTMENT PTY LTD	2,577,014	1.62%	10
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	1,899,729	1.19%	11
ARGO INVESTMENTS LIMITED	1,250,000	0.79%	12
UBS NOMINEES PTY LTD	863,094	0.54%	13
WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	590,321	0.37%	14
MR CON ZEMPILAS	470,000	0.30%	15
MR MARK MCINNES	386,058	0.24%	16
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	263,954	0.17%	17
GEOMAR SUPERANNUATION PTY LTD <CHAPMAN SUPER FUND A/C>	250,000	0.16%	18
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	241,086	0.15%	19
DAVID ALAN BULL	201,472	0.13%	20
TOTAL FOR TOP 20:	**144,466,274**	**90.86%**	

SUBSTANTIAL SHAREHOLDERS

NAME	TOTAL UNITS	% IC
CENTURY PLAZA INVESTMENTS PTY LTD AND ASSOCIATES	58,552,420	42.43%
AIRLIE FUNDS MANAGEMENT PTY LTD ON ITS OWN BEHALF AND ON BEHALF OF MAGELLAN FINANCIAL GROUP LIMITED AND RELATED BODIES CORPORATE	12,381,525	7.80%
PERPETUAL LIMITED AND ITS SUBSIDIARIES	10,881,477	6.84%

DISTRIBUTION OF EQUITY SHAREHOLDERS

	1 TO 1,000	1,001 TO 5,000	5,001 TO 10,000	10,001 TO 100,000	100,001 TO (MAX)	TOTAL
Holders	6,574	2,293	264	177	26	9,334
Ordinary Fully Paid Shares	2,344,781	5,120,692	1,953,071	4,250,630	145,323,862	158,993,036

The number of investors holding less than a marketable parcel of 25 securities ($20.41 on 26 September 2022) is 330 and they hold 2,396 securities.

VOTING RIGHTS

All ordinary shares carry one vote per share without restriction.

Corporate Directory

A.C.N. 006 727 966

DIRECTORS
Mr. Solomon Lew (Chairman)
Dr. David M. Crean (Deputy Chairman)
Mr. Timothy Antonie (Lead Independent Director)
Ms. Sylvia Falzon
Ms. Sally Herman
Mr. Henry D. Lanzer AM
Mr. Terrence L. McCartney
Mr. Mark McInnes (resigned: 19 August 2021)
Mr. Michael R.I. McLeod
Mr. Richard Murray (appointed: 3 December 2021)

COMPANY SECRETARY
Ms. Marinda Meyer

REGISTERED OFFICE
Level 7
417 St Kilda Road
Melbourne Victoria 3004
Telephone (03) 9650 6500
Facsimile (03) 9654 6665

AUDITOR
Ernst & Young
8 Exhibition Street
Melbourne Victoria 3000

SHARE REGISTER AND SHAREHOLDER ENQUIRIES
Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford Victoria 3067
Telephone (03) 9415 5000

LAWYERS
Arnold Bloch Leibler
Level 21
333 Collins Street
Melbourne Victoria 3000
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