ANNUAL REPORT 2022

BRISCOE GROUP LIMITED

BRISCOES HOMEWARE | Living & Giving | REBEL SPORT


REBEL
SPORT


Mitchell & Ness


ARRIVALS

Contents

At a Glance

RETAIL IS OUR WORLD.

We are a leading New Zealand retailer with a blend of bricks and mortar and online shopping channels, offering our customers the best range of brands at great prices.

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Briscoes Homeware Stores

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Rebel Sport Stores

1
Living & Giving Store

BRISCOES HOMEWARE STORES · REBEL SPORT STORES · DISTRIBUTION CENTRE

Over 500,000 units sold per week

More than 90,000 product choices available

More than 2,000 Team Members

$868,000 raised for Cure Kids

Customer database now over 1.5 million

Over 50 million website visits

Board of Directors' Review

Briscoe Group's ability to chart a course through historic change and turbulence in the retail environment was tested yet again in the latest year. As the results for the year attest, it has continued to perform strongly in the short term while also setting the foundations for continued growth.

It is no exaggeration to say that retail, in the current era, has faced profound commercial and social developments that bring both challenge and opportunity. Well before the onset of Covid-19 there was accelerating change, with shifting customer lifestyles and preferences, new online trading platforms, evolution in the role of physical stores, increasingly fractionalised media and the growth of competitors with global reach. The pandemic has added layers of complexity, disrupting manufacturing and supply lines.

While these powerful forces rightly make the headlines, they do not tell the whole story. There is also a layer of personal and professional challenge that our store teams deal with on a daily basis. With the pandemic has come social tensions that can play out in-store – for example, in disputes over protocols such as the scanning of QR codes or the wearing of masks. There has also been a notable increase in attempts at shoplifting, sometimes brazen in execution and/or conducted by people working together. Needless to say, the Group has taken steps to ensure the safety and security of teams affected by such behaviours and this will remain a very high priority.

For the second year in succession the pandemic had a major impact on our ability to keep our stores open, with a national lockdown being instituted in mid-August 2021. As in previous lockdowns, we maintained employment in the stores and continued to pay our people in full.

The lockdown also brought disruption to our leadership and support teams, with many working from home and others – for example, in online fulfilment and warehousing – facing new work requirements to deal with logistical and other impacts.

We place on record the Board's appreciation for the efforts of all team members in maintaining their diligence and dedication in the face of the various challenges they were met with during the year.

> "Your board is confident that the talent and focus of our people, along with the strength of our brands and our integrated trading platform, will enable the Group to continue to perform."

Investment in the store network continued, with three new stores opened and one relocated. Notably, the development at Silverdale, Auckland was completed successfully. There was also a further investment in new fitouts, online platform improvements and system upgrades.

The online platform continues to grow in importance, with substantial increases in dollar sales and the online proportion of the Group's total business. We are continuing to invest in online system development and process improvement, with the net result being further capacity for growth and new options to enhance the shopping experience of our customers.

Looking to the medium and long terms, our programme of strategic development has continued, with benefits across the business and these are further explained as part of the Managing Director's Review of Operations Report.

Taken altogether, this is a highly significant strategic programme to enhance the performance of the business and ensure that it remains at the forefront of homeware and sporting goods retailing in New Zealand.

It speaks volumes of our management team that it has been able to move forward successfully on such a multi-faceted programme while at the same time delivering exceptional short-term results in a deeply challenging trading environment. Their leadership and outstanding performance are also greatly valued by the Board.

Dividend

The directors have resolved to pay a final dividend of 15.5 cents per share (cps). The dividend is fully imputed and, when added to the interim dividend of 11.5cps, brings the total dividend for the year to 27.0cps. The final dividend was paid on 31 March 2022. The share register closed to determine entitlements to the dividend at 5pm on 24 March 2022.

We were delighted to be able to reward our shareholders by increasing both the interim and final dividends for the year.

> "Briscoe Group is committed to the highest standards of governance and management, based on implementing best practice structures and policies."

Corporate Governance

Briscoe Group is committed to the highest standards of governance and management, based on implementing best practice structures and policies. It has always been a strong feature of the Company that the Board and Executive teams work effectively together and are aligned around the business objectives.

The Board recognises that corporate governance encompasses a broad spectrum of policies, processes and practices, from how a company values its stakeholders through to impact on the community and environment. As well as the usual company policies available on our website, Briscoe Group has a number of initiatives under way in relation to its involvement in the community and its drive to ensure a positive environmental impact. These are expanded further on pages 24 - 27 of this Annual Report.

The Board recently made its annual determination as to the independence of directors. It was determined that all directors other than the Managing Director continue to be independent. As part of that determination, the tenure of the Chair was considered carefully.

While the Board acknowledged that the tenure was significant, it agreed unanimously that it did not compromise in any way the Chair's ability to bring an independent view, act in the best interests of the issuer and represent the best interests of all shareholders.

Equity-based Remuneration Scheme

The Board is of the view that all shareholders benefit from the participation of key senior executives in long-term, appropriately-priced, equity-based remuneration that crystallises only on delivery of increased shareholder value.

As previously reported the Board approved, in March 2019, the Senior Executive Incentive Plan designed to replace the previous Executive Share Option Plan. Under this new plan, selected senior employees can be granted Performance Rights which, upon vesting, will reward the employees with ordinary shares in the Company. Performance Rights vest after three years subject to the Company's achievement against Total Shareholder Return and Earnings Per Share growth targets.

We continue to be of the view that this is an appropriate long-term incentive scheme, and to date four tranches of Performance Rights have been issued under it. At the time of writing this report, there are three tranches still to vest, with a maximum of 308,838 performance rights able to be converted to ordinary shares subject to the Company's performance.

Further details in relation to equity-based remuneration can be found in Note 6.2 (page 66) of the financial statements within this Annual Report.

Conclusion

While the business has risen brilliantly to the issues and challenges encountered in the latest year, the Board is fully aware that these remain extant and there continues to be a high level of uncertainty in the trading environment.

The incursion of the Omicron variant of Covid-19 is a further major development in the pandemic from which we can expect to see impacts on consumer demand, whether that be in volume, timing or purchasing patterns.

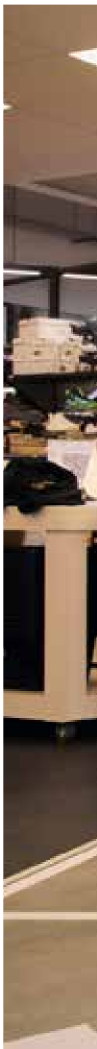
The ability of our teams to maintain focus on both short-term performance and strategic growth will remain central to continued success.

Your Board is confident that the talent and focus of our people, along with the strength of our brands and our integrated trading platform, will enable the Group to continue to perform.

On behalf of the Board:
Dame Rosanne Meo (Chair)
Rod Duke
Andy Coupe
Tony Batterton
Mark Callaghan

From left: Tony Batterton, Andy Coupe, Rod Duke, Dame Rosanne Meo (Chair) and Mark Callaghan.


Our buy better price guarantee
if you find the same item anywhere else for less, we'll beat that price by 10%
25%
Be in to WIN a $1000 shopping spree at Briscoes St Lukes




Wilson
SIMONA HALEP
GRIGOR DIMITROV
STEFANOS TSITSIPAS


shopping at
St Lukes


START

Managing Director's Review of Operations

We were thrilled to announce record sales and profit for Briscoe Group in a year which, incredibly, proved just as tumultuous as the previous one. As noted in the Board's report, this is testament to the quality of our leadership, in-store and support teams throughout the company. I add my congratulations and thanks for all their efforts.

Sales recovered strongly in the first half, albeit by comparison with a previous corresponding period (pcp) that had been curtailed by the national lockdown during the first wave of Covid-19 in early 2020.

It was extremely pleasing to be able to consolidate the full year with a solid second half performance. Our Auckland stores (39% percent of our total store network by number) were shut for 84 days during the second half (and all other stores for at least 21 days). Also, the second half of the previous year had included an additional week of trading, as well as a resurgence in sales from the retail recovery after the first national lockdown. On a similar 52-week basis, our total sales were up by 7.97% on the latest year.

With previous experience to draw on, the Group was able to move seamlessly to the required mode of operation when the new national lockdown was announced in August 2021. There is a long chain of actions involved in closing our store network and readying our online platform for a surge in demand such as experienced in 2020 and thus anticipated in the latest year. With all areas outside Auckland moving from Level 4 to Level 3 early in September, it became possible for us to extend our product range from essential items only to our full offering via online trading, and also to offer Click-and-Collect service. Later, a move to Level 2 enabled our stores to re-open responsibly, following prescribed protocols in relation to social distancing and PPE.

Our work to improve inventory involved optimising ordering, allocation, flow into and through our stores and overall stock levels. Inventories were $119.51 million at year-end, $28.04 million higher than at the end of the previous year, reflecting an early decision to ensure the business had sufficient inventory to satisfy demand. With the uncertainty around national and international supply chains, and the likelihood of further disruptions, we committed to a strategy of securing product often months in advance of traditional timings.

While this approach resulted in a high level of inventory being carried during the year – and we expect this to continue throughout the current year – it has unquestionably delivered in terms of sales and profit. This was particularly significant during the fourth quarter, which contained the Black Friday and Christmas promotional events, which produced very pleasing results.

Store Network

Total capital investment was $19.90 million, of which $9.83 million was for development of properties owned by the Group in Auckland and Silverdale. The balance, $10.07 million, was invested in the fit-out of new and refurbished stores, online platform improvements, security system upgrades and enhancements to system software and hardware.

The construction of a new concept Briscoes Homeware store at 36 Taylors Road, Auckland was completed and the store opened in early March. This allowed the introduction in April of a new Rebel Sport store in the retail space on the ground floor of the Support Office building at 1 Taylors Road.

The development at Silverdale was completed and new Briscoes Homeware and Rebel Sport stores opened in November. Trading results from both stores have significantly exceeded expectations and feedback has been overwhelmingly positive.

Our store development programme reflects the ongoing re-examination of our retail footprint – stores, online platform and distribution centre capacity – with a view to ensuring we understand the optimal size and location mix to take the business into the future.

We are extremely pleased with all the new stores opened during the year and their success provides confidence for further network growth opportunities.

Work has now started on upgrades to our Rebel Sport stores in Te Rapa and Albany, which will incorporate many of the ideas and concepts introduced in the new generation Silverdale and Morningside stores. These upgrades will also involve new signage and a modernised exterior profile as part of the progressive Rebel Sport brand refresh.

Online

The Group's online business grew significantly once again, especially during the national lockdown starting in August and the subsequent prolonged closures of our stores in Auckland, Northland and Waikato. With the disruption of this new round of closures, online sales represented 26.39% of total Group sales for the second half, compared to 16.16% for the first.

Online sales for the full year accounted for 21.47% of total Group sales, 21.01% in raw dollars above those for the previous year.

While the mix was clearly influenced by the closures, we are confident that the 'normalised' online portion of our business is continuing to increase.

Our online platform was enhanced by a number of initiatives implemented during the year. System developments in regard to the way online orders are picked in-store brought significant productivity and efficiency gains.

"The continued excellent performance of our leadership team inspires confidence that we have the ability to continue to manage uncertainty successfully as we move forward."

From left: Nick Turner, Andrew Scott, Fiona Stewart, Aston Moss, Geoff Scowcroft, Fraser Collins, Rod Duke.

Absent: Isabel Campbell

In addition to these back-end process improvements, we enhanced the front-end experience for customers with new functionality enabling them to find matching and recommended products easily, and to receive relevant communications via our new personalised email system. The subsequent introduction of new search functionality and our Find-In-Store stock availability feature further enhanced the online customer experience.

As stated previously, our digital strategy also includes a significant in-store dimension – the development of digital tools for our store teams to free up time that is then available to be invested in providing advice and service to our customers.

Strategic Programme

We continue to focus on strategic change and development, which we see as critical to the future of the business. The programme of work focused on supply chain improvements known as Project Trident progressed well and continues to produce significant gains to margin. Other projects also contributed:

- Stage one of our digital picking initiative significantly improved the efficiency of in-store fulfilment.
- The introduction of the *Emarsys* customer engagement platform allowed us to communicate in a much more personalised way with online customers.
- Our product range was extended by offering new online products shipped direct from supplier to customer. We are excited about the growth potential of this initiative, which allows us to offer products not held in-store or as part of our traditional range.
- We introduced *givex* gift cards late in the year, replacing our paper-based gift card system and providing greater flexibility and control of our gift card offering, including online redemption and e-voucher deployment.
- Easy-to-use in-store kiosks provided customers with an online purchasing option for products that may be out of stock in-store.

The Year Ahead - 2022/23

The pandemic continues to drive an uncertain outlook for demand in the short term, and there is well-publicised risk for all retailers in other factors such as supply chain delays, labour shortages, interest rate hikes and currency fluctuations.

Despite all of that, there are many reasons to be confident about the Group's prospects.

The high vaccination rates achieved in this country have enabled retail stores to remain open since December 2021, albeit under health and safety protocols. To date there has been a noticeable decline in foot traffic to stores, especially shopping malls. However, our presence in the large shopping malls is minimal, and also recent experience suggests that any such effect on our store network will be significantly offset by increased use of our online platform.

More than ever, our Homeware and Sporting Goods categories are well-placed in a trading environment that sees customers spending more time at home (working, entertaining, traveling within New Zealand) and also drives an increased appetite for well-being and healthy living (exercising at home, working from home, staying fit and healthy).

The continued excellent performance of our leadership team inspires confidence that we have the ability and agility to continue to manage uncertainty successfully as we move forward.

Our strategic programme continues to unlock the potential of the business, guided by a strong focus on the principles of constantly improving our offering to customers and making it easy and enjoyable for them to shop with us.

The Group has a strong core business, its strategic plan initiatives are delivering ahead of expectations and the Board and the leadership team are determined to protect the gains made in the latest year as we go forward. We realise that sustaining margins at the historically-high rates achieved in the latest year will be difficult, but we are confident that performance will remain very strong.

Rod Duke
Group Managing Director

Financial Performance

Briscoe Group's sales revenue grew by 6.08% to a record $744.4 million for the year. Gross margin dollars increased by 10.92% to $340.6 million, and gross margin percentage from 43.76% to 45.76%. Both sales and gross profit set new benchmarks for the Company's performance.

Our online business again performed strongly on the back of store closures, finishing the year at 21.5% of Group sales. We have a full programme of developments planned for 2022/23 to further enhance the online experience.

To produce a substantial increase in Gross Margin for the second successive year was a significant achievement and a highlight of our performance. As previously reported, the disruptions to trading resulting from the pandemic had accelerated our plans in relation to optimising margin, which included enhancing pre-season planning and buying processes, using improved data analytics to maximise seasonal trading events, improving inventory flow and reducing the level of clearance product. Benefits from that programme continued into the 2022 year.

Net profit after tax (NPAT) was up by 20.10% to $87.91million – another remarkable result given the ongoing uncertainty and disruption experienced throughout the year.

The Group's balance sheet remains strong, with cash and bank balances of $102.48 million as at 30 January 2022 and no term debt.

Inventory is always a key area of focus and management's decision to secure adequate supply amidst widely reported national and international supply chain issues was certainly the right one – ensuring a healthy stock position for the beginning of the new financial year.

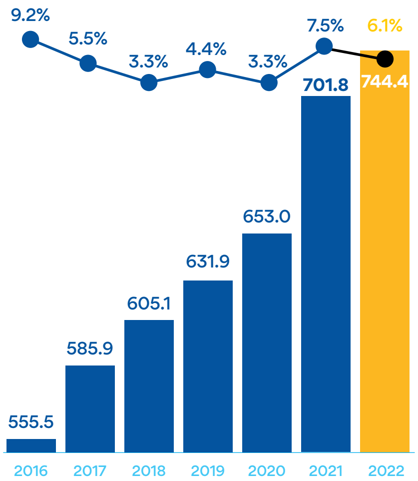
"The combination of a dedicated team, process and platform enhancements and a strong strategic focus has produced continued improvement across most of our key performance indicators, despite another volatile year for retail."

- Geoff Scowcroft
Chief Financial Officer

Having sufficient inventory in the current retail environment is a distinct competitive advantage, as is the strength of our supplier relationships which have been of great assistance in securing supply of product.

Key performance indicators (KPIs) are used by the Board and throughout the Group to monitor business performance

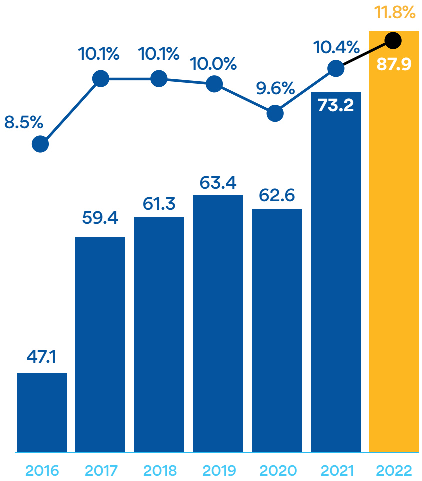
TOTAL REVENUE*
$M AND GROWTH %



Growth of 6.1% includes online growth of 21.0% and 2.6% for bricks and mortar stores despite imposed alert-level closures.

**2021 includes 53 weeks of trading*

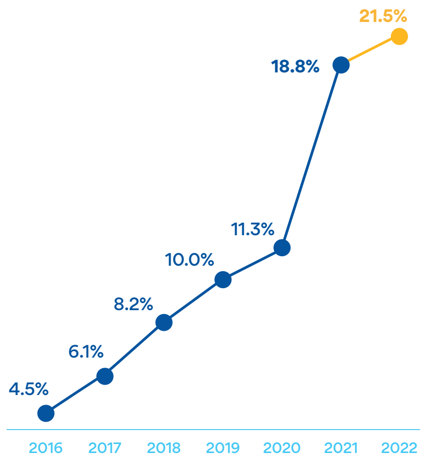
NET PROFIT AFTER TAX*
$M AND % SALES



Record net profit after tax (NPAT) despite the challenges of Covid-19.

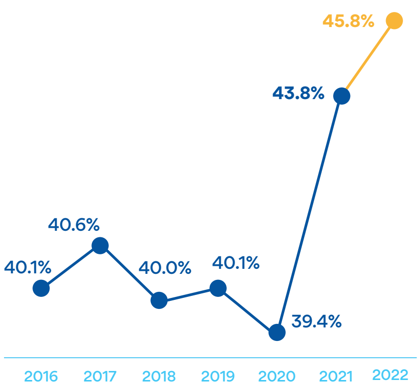
**NZ IFRS16 adopted from 2020*

ONLINE MIX OF SALES
%



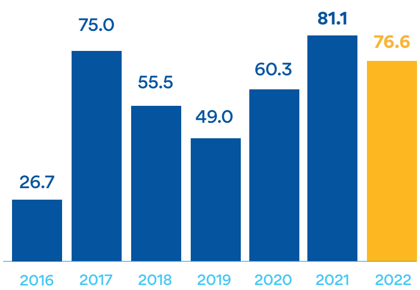
Online mix for 2nd half of the year was 26.4% as a result of store lockdown closures, compared to the first half mix of 16.2%.

GROSS PROFIT MARGIN
%



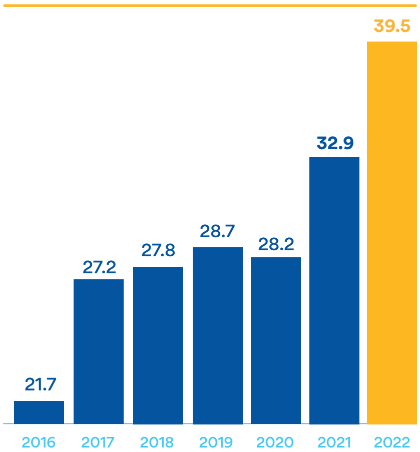
Continued margin improvement through optimising inventory ordering, allocation and its flow into and through stores.

FREE CASH FLOW
$M



Solid positive free cash flow (defined as net cash from operating activities less capital expenditure) helps to maintain the Group's strong balance sheet.

EARNINGS PER SHARE*
CENTS



Strong increase in earnings per share on the back of record earnings and profit.

**NZ IFRS16 adopted from 2020*

Non-financial Highlights

A proactive and **united response** to Covid-19

All team members **paid in full** during lockdowns and isolation periods

Over 2,600 tonnes of mixed recycling

Increased customer satisfaction (NPS) across our brands

Emarsys customer personalisation platform launched

4 new stores opened

Bespoke **leadership programme** launched for retail management team

Trident Programme delivering ahead of expectations


PUMA
PUMA

Our World Class Team

Our People

Our focus on providing certainty to our people as to how we would respond to the challenges of the pandemic, and most importantly, how we would maintain our stance in protecting incomes has been beneficial. It meant we had highly engaged team members through our peak trade, and complements the many other actions taken to balance customer, team member and other stakeholder needs and wants.

We know that team member goodwill is one of the most important ingredients in customer service, and to see improvement in our net promoter scores across the business, despite the challenges we faced is a testament to our decisions and the commitment of our team. Our core business has performed exceptionally well at a time when significant numbers of business improvement initiatives have been implemented to the benefit of team members and customers.

The first cohorts of our bespoke Management and Leadership programme commenced their professional and personal development journey. It is exciting to see participants implement their learning both in the management of our business and the leadership of their teams. Our intense focus on the coaching component of the programme is paying dividends both directly with course participants in their roles as well as indirectly with colleagues throughout the wider business.

We are particularly proud of the work the team did to pivot our approach to peak recruitment. The resurgence of Covid-19 required a move to an entirely online process. Finding and implementing tools to assist with this critical activity was well executed and provided other benefits to hiring managers and candidates, putting us in great shape for peak seasonal trade. Not only did the approach secure us people with the appropriate attitudes and skills that we were seeking, it also enabled a more flexible and timely experience for all involved in the process. Last year was another great example of the business not just coping with events but re-imagining our approaches and making step changes in performance.

Similarly our wider recruitment and retention efforts has seen our talent pool continue to expand. Our most recent talent assessment within the business using gender as one lens on diversity has identified that over 40% of those identified as high impact or high potential are female. We have commenced efforts to prepare ourselves to capture more information in this area while ensuring any additional information retains integrity and does not result in selection bias.

The wide range of business enhancement initiatives, many of which have been developed by our own team members have continued to be supported through a range of communication and change management activities. Our growing capabilities in these areas puts us in good stead, not just to implement positive change but to ensure that the benefits are realised and sustained.

Our health and safety journey continues with commitment right throughout the organisation translating into coordinated positive impact. This year saw the implementation of the contractor management module within our core health and safety reporting, recording and management system. This represents another step forward in our holistic approach to ensuring the health, safety and wellbeing of all visitors to our sites, not only our own team members.

"Our core business has performed exceptionally well at a time when significant numbers of business improvment initiatives have been implemented to the benefit of team members and customers."

- Aston Moss
Group General Manager
Human Resources

Scholarship and Study Support

Briscoe Group has been a proud First Foundation Partner since 2013. With the generous support of the RA Duke Trust, we help fulfil the First Foundation mission of providing students access to higher education through the Briscoe Group-First Foundation Scholarship. Each year, applications are opened to Briscoe Group team members and immediate family members currently enrolled at a NZ Secondary school in year twelve or thirteen. Successful applicants receive a three-year scholarship that includes significant financial support, mentorship, and paid work experience. Although we are proud to play a role in supporting the work of First Foundation through awarding scholarships, we are even more proud of the members of our team who receive them and use them to grow their careers.

We are particularly excited about a number of other contributions beyond financial support that we are working on to support this valuable programme in 2022.

In 2021 we saw the first of our senior managers, Rebecca Simpson, complete her MBA. We are extremely proud of her and recognise the dedication it takes to combine study with full time work. A number of other members of the team have continued their tertiary studies and are making steady progress towards attainment of their degrees.

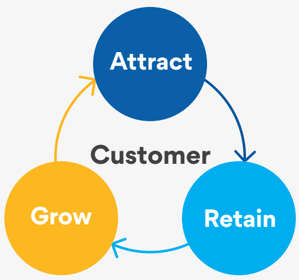
Rebecca Simpson completed her MBA

Multi-Year Trident Strategic Initiatives

"Despite the challenges and interruptions from Covid-19 good progress has been made in all three areas of focus. Our strategic plan is delivering incremental profit ahead of our expectations. The ability of the entire team to balance trading the business whilst delivering a programme of transformational change endorses the depth of quality in the organization."

- **Andrew Scott** Chief Operating Officer

2021



- Customer segmentation and personalised comms embedded
- In-store digital tools implemented
- Online parcel digital picking live

Future Supply Chain

- Enhanced Product availability
- Hybrid Online fulfilment model live
- Further enhanced data analytics to improve buying and promotional execution

New Revenues

- Drop ship 15 suppliers live - over 3000 new products online
- Automated Email platform driving increased customer lifetime value

Strategic plan delivering incremental profit

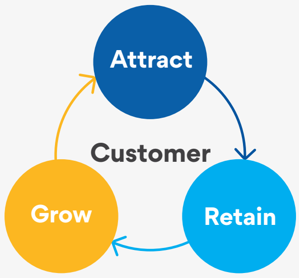
Since the formulation of our strategic plan Trident late in 2019, we have focused on three key deliverables, improving our customer experience, overhauling our supply chain and growing new revenues. The onset of Covid-19 has validated that our strategic plan is robust and will help to protect the business during such turbulent times. The strategic priorities are planned to continue until the end of 2023.

Most importantly the strategic projects are making it easier for our team to drive sustained improvements in customer service across all of our channels, online and in stores.

This has resulted in record levels of Net Promoter scores (NPS) for both Briscoes homeware and Rebel Sport. Through 2020 deep data analytics was created to highlight the areas of opportunity and during 2021 these projects have started to move through the design, testing and implementation phase. Great progress has been made and there are currently 35 projects being progressed.

Our supply chain network modelling is nearing completion. The data driven statistical modelling will formulate the network requirements for the next decade. The increased capacity will provide the platform for future growth.

2022 & 2023



- Online UX (user experience) enhancements
- Enhanced data collection to step change Database growth
- In-store digital price and promotion labels

- Future supply chain network design
- Express online fulfilment & premium delivery options
- Increased North and South Island distribution capability

- Accelerated new store concept refurbishment plan
- New product categories launched direct-to-customer

Sustainability - Steps to a better tomorrow

Customers' expectations are changing. They want to know whether the organisations they spend their money with care about their footprint on the planet and what they are doing for the community. Creating more transparency on how we do business will benefit our growth and success with New Zealanders, our team and the wider business community by building trust.

BRISCOE GROUP SUSTAINABILITY POLICY

Our Sustainability Policy sets out our aspirations, commitments, and actions that Briscoe Group will undertake to reduce negative impacts on our natural environment and the society in which we operate. We intend to update this policy as we learn more and develop our strategic response in each of the following main impact areas.

Environmental Sustainability

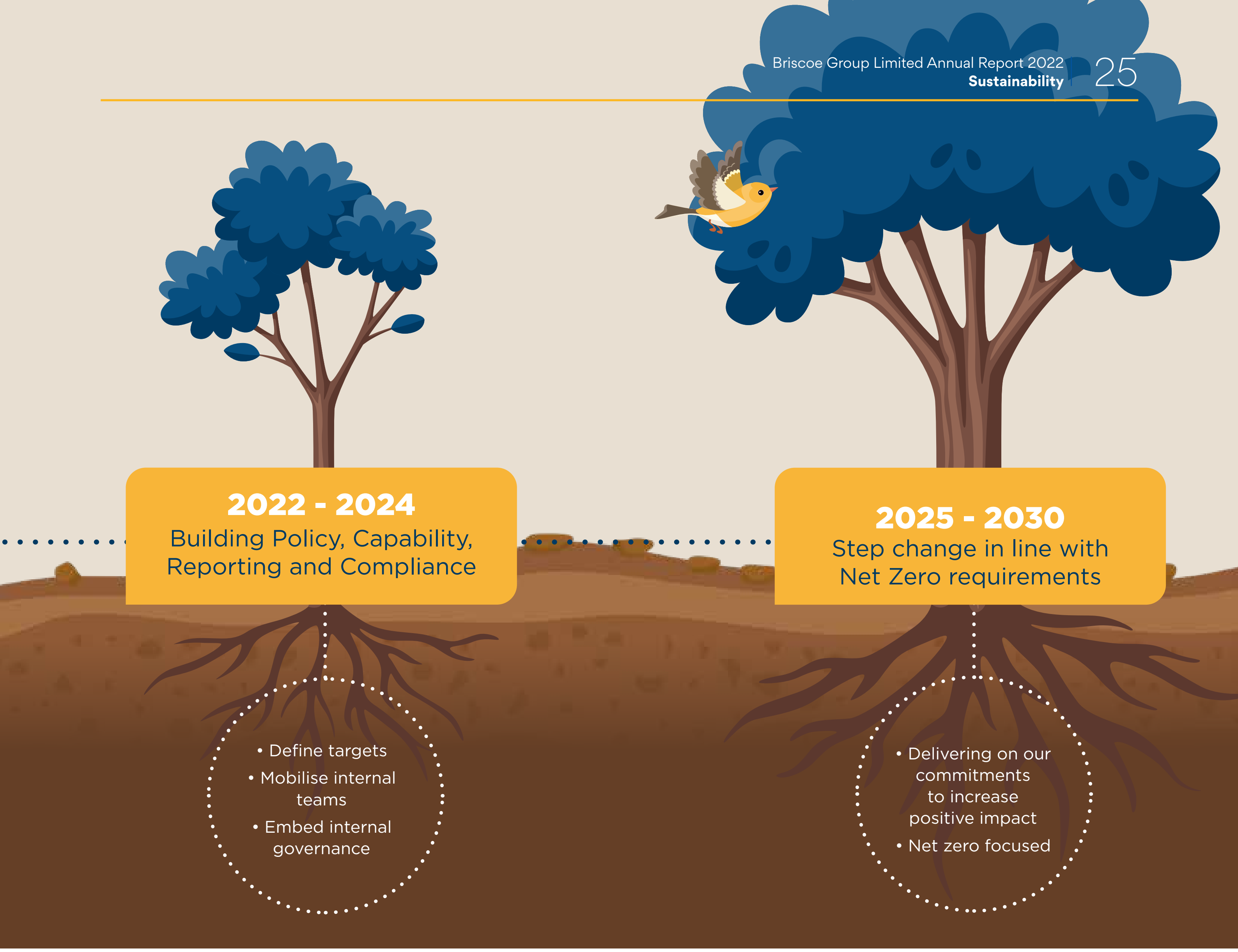
- Reducing our impact and adapting to Climate Change
- Reducing our waste to landfill and improving recycling initiatives
- Working with our supplier and supply chain partners to further minimise environmental impacts

Supporting our people

- Ensuring the health, safety and wellbeing of our people
- Investing in our people

Supporting our communities and customers

- Being a local employer of choice
- Supporting relevant charities



Our Commitment is to:

- Regularly engage with our key stakeholders and communities to understand their views and ensure that we respond appropriately to their interests.
- Establish, monitor and review appropriate sustainability objectives, governance and targets as well as identify opportunities where we can improve.
- Comply with all relevant legislation, appropriate industry guidelines, standards and practices.
- Provide suitable education, training and encouragement to our workforce, suppliers and business partners to understand their responsibilities of this sustainability policy and look for effective ways of collaboration.
- Regularly report on our sustainability performance, challenges and opportunities.

"It is important for Briscoe Group that we engage our stakeholders and leverage our strengths together. We spoke to our team, our customers and our suppliers to understand their perspectives on sustainability and what they care about most. We have gathered good insights and we recognise that this is the time to define our commitments within the ESG framework as we look to the future."

- Rod Duke

Sustainability - Where are we today?

We have begun our sustainability journey, completing our materiality assessment. During this process we spoke to and surveyed key stakeholders from customers, to team, through to suppliers. This allowed us to understand what is important, what our partners and people cared about and also to gain insight into their own ESG journeys.

CONTINUED FOCUS ON IMPROVEMENTS

Implemented fully electronic pick & pack fulfillment process thereby reducing paper waste

Change to further roll out of 39 stores to LED lighting to reduce energy usage

Over 2,600 tonnes of mixed recycling

6000 fewer receipt rolls used due to a reduced format. Further reductions planned in FY23 as we migrate to e-receipts

Cure Kids fundraising through Briscoe Group amounted to $868k.

Pass it Forward fundraising through Rebel Sport amounted to $409k, which equated to 16,000 balls to 130 schools or 40,000 students.

NEXT STEPS & COMMITMENTS MOVING FORWARD

We will set up our working group and governance committee internally to deliver to the ESG framework:

ENVIRONMENTAL

- Energy efficiency
- Waste minimisation
- Environmental management
- Climate change

SOCIAL

- Health & Safety
- Wellbeing
- Community
- Diversity & inclusion
- Internal education
- Build team capability

GOVERNANCE

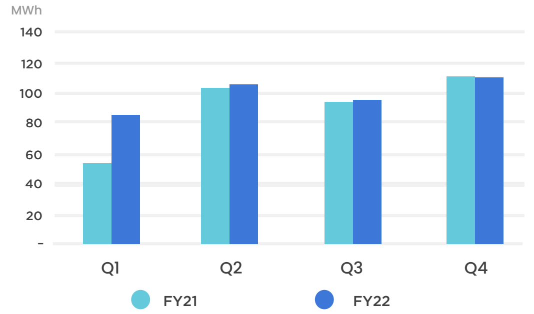
- TCFD compliance preparation
- Waste & Resource Management Acts
- Joining the Sustainable Business Council, WBCSD

GOOD PROGRESS MADE ON KEY ENVIRONMENTAL MEASURES FY22 VS FY21

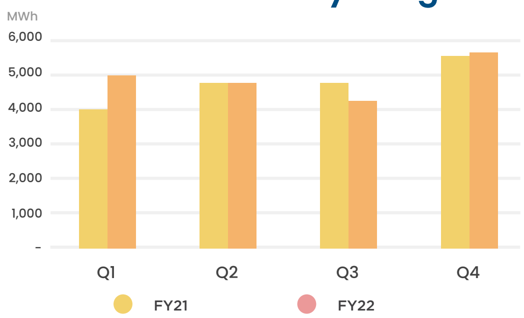
ENVIRONMENTAL

Emissions

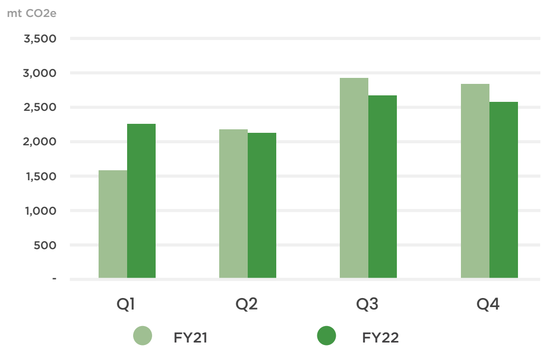
Total LPG Usage



Total Electricity Usage

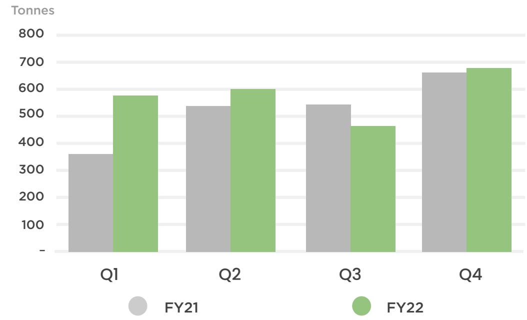


Greenhouse Gas Emissions

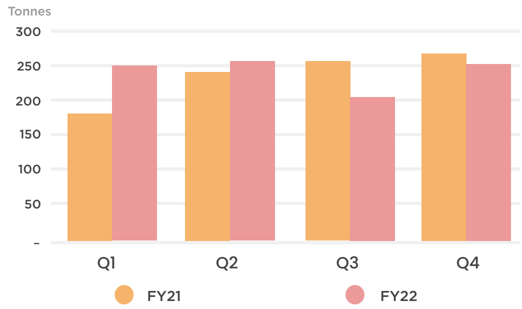


Waste

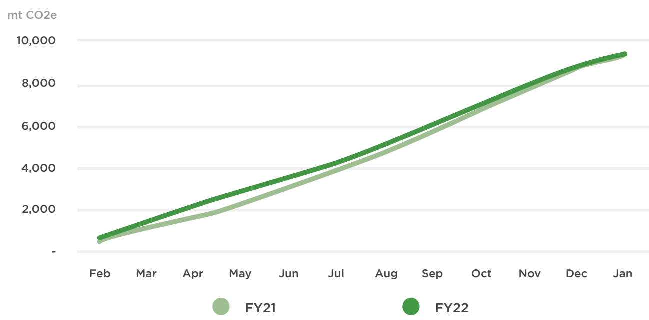
Total Recycling Weight



Total Landfill Weight



GHG Cumulative



Last 12 months Feb - Jan 22 9,658 Last Year Feb - Jan 21 9,633

Percentage Change 0.25%

**FY22 includes 3 new stores. Our greenhouse gas emissions for FY22 are unaudited.*

We have five environmental data points that we have tracked for the full FY21 and FY22 financial year: greenhouse gas emissions across our logistics chain; energy usage and gas across our store and head office network; and our two waste metrics: recycling and landfill. This data will form the basis of our reduction commitments going forward.

For the 52 week period ended 30 January 2022

Consolidated Financial Statements

For the period ended 30 January 2022

Introduction

These financial statements have been presented in a style which attempts to make them less complex and more relevant to shareholders.

We have grouped the note disclosures into six sections:

1. Basis of Preparation
2. Performance
3. Operating Assets and Liabilities
4. Investments
5. Financing and Capital Structure
6. Other Notes

Each section sets out the accounting policies applied to the relevant notes.
The purpose of this format is to provide readers with a clearer understanding of the financial affairs of the Group.
Accounting policies have been shown in blue font for easier identification.

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For the 52 week period ended 30 January 2022

Directors' Approval of Consolidated Financial Statements

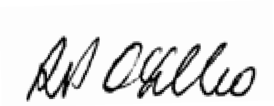
For the 52 week period ended 30 January 2022

Authorisation for Issue

The Board of Directors authorised the issue of these Consolidated Financial Statements on 16 March 2022.

Approval by Directors

The Directors are pleased to present the Consolidated Financial Statements for Briscoe Group Limited for the 52 week period ended 30 January 2022. (Comparative period is for the 53 week period ended 31 January 2021).



Dame Rosanne Meo
CHAIRMAN

Rod Duke
GROUP MANAGING DIRECTOR

16 March 2022

For and on behalf of the Board of Directors

Consolidated Income Statement

For the 52 week period ended 30 January 2022

	Notes	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Sales revenue		**744,450**	701,797
Cost of goods sold		**(403,808)**	(394,681)
Gross profit		**340,642**	307,116
Other operating income	2.2	**3,571**	139
Store expenses		**(116,366)**	(110,845)
Administration expenses		**(91,379)**	(80,524)
Earnings before interest and tax		**136,468**	115,886
Finance income		**399**	421
Finance costs		**(14,495)**	(14,888)
Net finance cost	5.1	**(14,096)**	(14,467)
Profit before income tax		**122,372**	101,419
Income tax expense	2.3.1	**(34,463)**	(28,220)
Net profit attributable to shareholders		**87,909**	73,199

Earnings per share for profit attributable to shareholders:			
Basic earnings per share (cents)	2.4	**39.5**	32.9
Diluted earnings per share (cents)	2.4	**39.4**	32.8

The above consolidated income statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

For the 52 week period ended 30 January 2022

	Notes	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Net Profit attributable to shareholders		**87,909**	73,199
Other comprehensive income:			
Items that will not be subsequently reclassified to profit or loss:			
Change in value of investment in equity securities	4.1	**2,880**	(92,174)
Items that may be subsequently reclassified to profit or loss:			
Fair value loss/(gain) recycled to income statement from cashflow hedge reserve		**2,912**	(608)
Fair value gain/(loss) taken to the cashflow hedge reserve		**3,812**	(2,084)
Deferred tax on fair value (loss)/gain taken to income statement from cashflow hedge reserve	2.3.2	**(816)**	170
Deferred tax on fair value (gain)/loss taken to cashflow hedge reserve	2.3.2	**(1,067)**	584
Total other comprehensive income/(loss)		**7,721**	(94,112)
Total comprehensive income/(loss) attributable to shareholders		**95,630**	(20,913)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

As at 30 January 2022

	Notes	30 January 2022 $000	31 January 2021 $000
ASSETS			
Current assets			
Cash and cash equivalents	3.1.1	**102,481**	100,417
Trade and other receivables	3.1.2	**5,082**	3,534
Inventories	3.1.3	**119,514**	91,473
Derivative financial instruments	5.2.5	**3,137**	32
Total current assets		**230,214**	195,456
Non-current assets			
Property, plant and equipment	3.2	**125,897**	117,397
Intangible assets	3.3	**2,563**	3,608
Right-of-use assets	3.4.1	**250,789**	255,850
Deferred tax	2.3.2	**14,184**	14,750
Investment in equity securities	4.1	**64,810**	61,930
Total non-current assets		**458,243**	453,535
TOTAL ASSETS		**688,457**	648,991
LIABILITIES			
Current liabilities			
Trade and other payables	3.1.4	**80,785**	80,952
Lease liabilities	3.4.3	**19,025**	19,277
Taxation payable	2.3.2	**18,266**	12,413
Derivative financial instruments	5.2.5	**-**	3,378
Total current liabilities		**118,076**	116,020
Non-current liabilities			
Trade and other payables	3.1.4	**875**	930
Lease liabilities	3.4.3	**270,193**	272,994
Total non-current liabilities		**271,068**	273,924
TOTAL LIABILITIES		**389,144**	389,944
NET ASSETS		**299,313**	259,047
EQUITY			
Share capital	5.3.2	**61,992**	61,839
Cashflow hedge reserve	5.2.5	**2,384**	(2,457)
Equity-based remuneration reserve	6.2.2	**566**	444
Other reserves	5.3.4	**(23,043)**	(25,923)
Retained earnings		**257,414**	225,144
TOTAL EQUITY		**299,313**	259,047

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the 52 week period ended 30 January 2022

	Notes	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
OPERATING ACTIVITIES			
Cash was provided from			
Receipts from customers		**744,320**	701,574
Rent received		**25**	15
Dividends received		**2,407**	3
Interest received		**342**	450
Insurance recovery		**135**	22
		747,229	702,064
Cash was applied to			
Payments to suppliers		**(487,274)**	(450,182)
Payments to employees		**(90,413)**	(80,006)
Interest paid		**(14,495)**	(14,889)
Net GST paid		**(28,683)**	(27,508)
Income tax paid		**(29,868)**	(22,913)
		(650,733)	(595,498)
Net cash inflows from operating activities		**96,496**	106,566
INVESTING ACTIVITIES			
Cash was provided from			
Proceeds from sale of property, plant and equipment		**22**	1,996
		22	1,996
Cash was applied to			
Purchase of property, plant and equipment	3.2	**(18,157)**	(25,540)
Purchase of intangible assets		**(1,740)**	(1,889)
Investment in equity securities	4.1	**-**	-
		(19,897)	(27,429)
Net cash outflows from investing activities		**(19,875)**	(25,433)
FINANCING ACTIVITIES			
Cash was provided from			
Issue of new shares	5.3.2	**-**	919
Net proceeds from borrowings		**-**	-
		-	919
Cash was applied to			
Dividends paid	5.3.3	**(55,639)**	(33,370)
Lease liability payments		**(19,159)**	(15,588)
		(74,798)	(48,958)
Net cash outflows from financing activities		**(74,798)**	(48,039)
Net increase in cash and cash equivalents		**1,823**	33,094
Cash and cash equivalents at beginning of period		**100,417**	67,414
Effect of exchange rate changes on cash and cash equivalents		**241**	(91)
Cash and cash equivalents at period end	3.1.1	**102,481**	100,417

Consolidated Statement of Cash Flows (continued)

For the 52 week period ended 30 January 2022

RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO REPORTED NET PROFIT

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Reported net profit attributable to shareholders	**87,909**	73,199
Items not involving cash flows		
Depreciation and amortisation expense	**32,904**	31,845
Bad debts and movement in doubtful debts	**(69)**	(40)
Inventory adjustments	**4,857**	1,563
Amortisation of equity-based remuneration	**217**	183
(Gain)/loss on disposal/surrender of assets	**(768)**	501
	37,141	34,052
Impact of changes in working capital items		
Decrease (increase) in trade and other receivables	**(1,479)**	39
Decrease (increase) in inventories	**(32,898)**	(5,622)
Increase (decrease) in taxation payable	**5,853**	7,518
Increase (decrease) in trade payables	**(6,875)**	(9,974)
Increase (decrease) in other payables and accruals	**6,845**	7,354
	(28,554)	(685)
Net cash inflow from operating activities	**96,496**	106,566

NET DEBT RECONCILIATION

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Cash and cash equivalents		
Cash and cash equivalents at beginning of period	**100,417**	67,414
Net increase in cash and cash equivalents	**1,823**	33,094
Effect of exchange rate changes	**241**	(91)
Cash and cash equivalents at period end	**102,481**	100,417
Lease liabilities		
Opening value	**(292,271)**	(296,408)
Cash flows	**19,159**	15,588
Lease acquisitions	**(19,350)**	(13,126)
Lease surrenders	**3,244**	1,675
Total lease liabilities at period end	**(289,218)**	(292,271)
Net debt reconciliation	**(186,737)**	(191,854)

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the 52 week period ended 30 January 2022

	Notes	Share Capital $000	Cashflow Hedge Reserve $000	Equity-Based Remuneration Reserve $000	Other Reserves $000	Retained Earnings $000	Total Equity $000
Balance at 26 January 2020		60,752	(519)	841	66,251	184,794	312,119
Net profit attributable to shareholders for the period		-	-	-	-	73,199	73,199
Other comprehensive income:							
Change in value of investment in equity securities	4.1	-	-	-	(92,174)	-	(92,174)
Net fair value loss taken through cashflow hedge reserve		-	(1,938)	-	-	-	(1,938)
Total comprehensive (loss)/income for the period		-	(1,938)	-	(92,174)	73,199	(20,913)
Transactions with owners:							
Dividends paid	5.3.3	-	-	-	-	(33,370)	(33,370)
Performance rights charged to income statement	6.2.1	-	-	183	-	-	183
Share options exercised	5.3.2/6.2	1,087	-	(168)	-	-	919
Transfer for share options lapsed and forfeited	6.2.2	-	-	(521)	-	521	-
Deferred tax on equity-based remuneration	2.3.2/6.2.2	-	-	109	-	-	109
Balance at 31 January 2021		61,839	(2,457)	444	(25,923)	225,144	259,047
Net profit attributable to shareholders for the period		**-**	**-**	**-**	**-**	**87,909**	**87,909**
Other comprehensive income:							
Change in value of investment in equity securities	4.1	**-**	**-**	**-**	**2,880**	**-**	**2,880**
Net fair value gain taken through cashflow hedge reserve		**-**	**4,841**	**-**	**-**	**-**	**4,841**
Total comprehensive (loss)/income for the period		**-**	**4,841**	**-**	**2,880**	**87,909**	**95,630**
Transactions with owners:							
Dividends paid	5.3.3	**-**	**-**	**-**	**-**	**(55,639)**	**(55,639)**
Performance rights charged to income statement	6.2.1	**-**	**-**	**217**	**-**	**-**	**217**
Performance rights vested	5.3.2/6.2	**153**	**-**	**(153)**	**-**	**-**	**-**
Deferred tax on equity-based remuneration	2.3.2/6.2.2	**-**	**-**	**58**	**-**	**-**	**58**
Balance at 30 January 2022		**61,992**	**2,384**	**566**	**(23,043)**	**257,414**	**299,313**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

For the 52 week period ended 30 January 2022

1. Basis of Preparation

This section presents a summary of information considered relevant and material to assist the reader in understanding the foundations on which the financial statements as a whole have been compiled. Accounting policies specific to notes shown in other sections are included as part of that particular note.

1.1 General Information

Briscoe Group Limited (the Company) and its subsidiaries (together the Group) is a retailer of homeware and sporting goods. The Company is a limited liability company incorporated and domiciled in New Zealand and is listed on the New Zealand Stock Exchange (NZX). Briscoe Group Limited is registered under the Companies Act 1993 and is an FMC Reporting Entity under Part 7 of the Financial Markets Conduct Act 2013. The address of its registered office is 1 Taylors Road, Morningside, Auckland. The Company is registered in Australia as a foreign company under the name Briscoe Group Australasia Limited and is listed on the Australian Securities Exchange as a foreign exempt entity. (NZX / ASX code: BGP).

The financial statements of the Group have been prepared in accordance with the requirements of Part 7 of the Financial Markets Conduct Act 2013 and the NZX Main Board Listing Rules.

These audited consolidated financial statements have been approved for issue by the Board of Directors on 16 March 2022.

1.2 General Accounting Policies

These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice (GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for for-profit entities. The consolidated financial statements also comply with International Financial Reporting Standards (IFRS).

The consolidated financial statements are presented in New Zealand dollars which is the Company's functional currency and the Group's presentation currency. All financial information has been presented in thousands, unless otherwise stated.

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Entities reporting

The consolidated financial statements reported are for the consolidated Group which is the economic entity comprising Briscoe Group Limited and its subsidiaries. The Group is designated as a for-profit entity for the purposes of complying with GAAP.

Reporting period

These consolidated financial statements are in respect of the 52-week period 1 February 2021 to 30 January 2022 and provide a balance sheet as at 30 January 2022. The comparative period is in respect of the 53-week period 27 January 2020 to 31 January 2021. The Group operates on a weekly trading and reporting cycle resulting in 52 weeks for most years with a 53-week period occurring once every 5-6 years.

Principles of consolidation

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries are changed when necessary to ensure consistency with the policies adopted by the Company.

1. Basis of Preparation

For the 52 week period ended 30 January 2022

Subsidiaries	Activity	2022 Interest	2021 Interest
Briscoes (New Zealand) Limited	Homeware retail	**100%**	100%
The Sports Authority Limited (trading as Rebel Sport)	Sporting goods retail	**100%**	100%
Rebel Sport Limited	Name protection	**100%**	100%
Living and Giving Limited	Name protection	**100%**	100%

All companies above are incorporated in New Zealand and have a balance date consistent with that of the Company as outlined in the accounting policies.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets as identified in specific accounting policies detailed throughout these financial statements.

Critical accounting judgements and estimates

In the process of applying the Group's accounting policies and the application of accounting standards, a number of estimates and judgements have been made. The estimates and underlying assumptions are based on historical experience and adjusted for current market conditions and other factors, including expectations of future events that are considered to be reasonable under the circumstances. If outcomes within the next financial period are significantly different from assumptions, this could result in adjustments to carrying amounts of the asset or liability affected. Further explanation as to estimates and assumptions made by the Group can be found in the notes to the financial statements:

Areas of judgement and estimation	Note
Inventories	3.1.3
Leases	3.4

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in which case they are recognised in other comprehensive income as qualifying cash flow hedges.

For the 52 week period ended 30 January 2022

2. Performance

This section reports on the results and performance of the Group, providing additional information about individual items, including performance by operating segment, revenue, expenses, taxation and earnings per share.

2.1 Segment Information

An operating segment is a component of an entity that engages in business activities which earns revenue and incurs expenses and for which the chief operating decision maker (CODM) reviews the operating results on a regular basis and makes decisions on resource allocation. The Group has determined its CODM to be the group of executives comprising the Managing Director, Chief Operating Officer and Chief Financial Officer.

The Group is organised into two reportable operating segments, namely homeware and sporting goods, reflecting the different retail sectors within which the Group operates. The Company is considered not to be a reportable operating segment. Eliminations and unallocated amounts as shown below are primarily attributable to the Company. There were no inter-segment sales in the period (2021: Nil).

Information regarding the operations of each reportable operating segment is included below. Segment profit represents the profit earned by each segment and is extracted from the income statements associated with the two trading subsidiary companies, Briscoes (New Zealand) Limited and The Sports Authority Limited (trading as Rebel Sport). Earnings before interest and tax (EBIT) is a non-GAAP measure and used by CODM to assess the performance of the operating segments. This measure should not be viewed in isolation, nor considered as a substitute for measures reported in accordance with NZ IFRS. This non-GAAP financial measure may not be comparable to similarly titled amounts reported by other companies.

For the period ended 30 January 2022

	Homeware	Sporting goods	Eliminations/ Unallocated	Total Group
	$000	$000	$000	$000
INCOME STATEMENT				
Total sales revenue	460,887	283,563	-	744,450
Gross profit	208,440	132,202	-	340,642
Earnings before interest and tax	73,771	57,687	5,010	136,468
Finance income	96	281	22	399
Finance costs	(9,569)	(4,804)	(122)	(14,495)
Net finance cost	(9,473)	(4,523)	(100)	(14,096)
Income tax expense	(18,171)	(14,889)	(1,403)	(34,463)
Net profit after tax	46,127	38,275	3,507	87,909
BALANCE SHEET ITEMS:				
Assets	385,205	246,514	56,738[1.]	688,457
Liabilities	266,122	141,074	(18,052)	389,144
OTHER SEGMENTAL ITEMS:				
Acquisitions of property, plant and equipment, intangibles and investments	15,019	4,878	-	19,897
Depreciation and amortisation expense	21,170	11,734	-	32,904

	$000
1. Investment in equity securities	*67,593*
Intercompany eliminations	*(27,524)*
Other balances	*16,669*
	56,738

2. Performance

For the 52 week period ended 30 January 2022

For the period ended 31 January 2021

	Homeware $000	Sporting goods $000	Eliminations/ Unallocated $000	Total Group $000
INCOME STATEMENT				
Total sales revenue	439,234	262,563	-	701,797
Gross profit	192,293	114,823	-	307,116
Earnings before interest and tax	66,979	46,495	2,412	115,886
Finance income	72	333	16	421
Finance costs	(9,851)	(4,925)	(112)	(14,888)
Net finance cost	(9,779)	(4,592)	(96)	(14,467)
Income tax expense	(15,821)	(11,736)	(663)	(28,220)
Net profit after tax	41,379	30,167	1,653	73,199
BALANCE SHEET ITEMS:				
Assets	363,231	217,358	68,402[1.]	648,991
Liabilities	254,506	135,178	260	389,944
OTHER SEGMENTAL ITEMS:				
Acquisitions of property, plant and equipment, intangibles and investments	23,497	3,931	-	27,428
Depreciation and amortisation expense	20,333	11,512	-	31,845

	$000
1. Investment in equity securities	*61,930*
Intercompany eliminations	*(2,193)*
Other balances	*8,665*
	68,402

2. Performance

For the 52 week period ended 30 January 2022

2.2 Income and Expenses

Revenue recognition

Revenue comprises the fair value of consideration received or receivable for the sale of goods and services, net of Goods and Services Tax (GST), and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

Sales of goods - retail

For all sales, control is considered to pass to the customer at the point when the customer can use or otherwise benefit from the goods and services. For in-store sales, control passes to the customer at point of sale. For online sales, the order along with delivery to the customer are considered to comprise a single performance obligation, therefore control is considered to pass to the customer on delivery of the goods. Retail sales are predominantly by credit card, debit card or in cash.

Rental income

Rental income (net of any incentives given to lessees) is recognised on a straightline basis over the period of the lease.

Interest income

Interest income is recognised on a time-proportionate basis using the effective interest method.

Dividend income

Dividend income is recognised when the right to receive the dividend is established.

Profit before income tax includes the following specific income and expenses:

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Income		
Rental income	**25**	15
Dividends received	**2,407**	3
Insurance recovery	**135**	22
Gain on lease surrender	**1,005**	99
Expenses		
Depreciation of property, plant and equipment	**9,398**	8,400
Amortisation of software costs	**1,334**	1,745
Depreciation of right-of-use assets	**22,172**	21,700
Interest on leases	**14,218**	14,772
Operating lease rental expense	**129**	27
Wages, salaries and other short-term benefits	**93,069**	85,352
Equity-based remuneration (refer also Note 6.2)	**217**	183
Amounts paid to auditors:		
Statutory Audit	**134**	108
Half year review	**33**	26
Other services	**-**	-

2. Performance

For the 52 week period ended 30 January 2022

2.3 Taxation

Current and deferred income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in New Zealand, being the country where the Group operates and generates taxable income. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when the entity has a legal enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Goods and Services Tax (GST)

The income statement, statement of comprehensive income and statement of cash flows have been prepared so that all components are stated exclusive of GST. All items in the balance sheet are stated net of GST, with the exception of trade receivables and trade payables, which include GST invoiced.

2.3.1 Taxation – Income statement

The total taxation charge in the income statement is analysed as follows:

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
(a) Income tax expense		
Current tax expense:		
Current tax	**34,669**	30,311
Adjustments for prior periods	**1,052**	120
	35,721	30,431
Deferred tax expense:		
Decrease in future tax benefit current period	**(205)**	(1,408)
Tax effect of disposal of buildings	**-**	(203)
Tax effect of legislative changes	**-**	(478)
Adjustments for prior periods	**(1,053)**	(122)
	(1,258)	(2,211)
Total income tax expense	**34,463**	28,220

2. Performance

For the 52 week period ended 30 January 2022

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
(b) Reconciliation of income tax expense to tax rate applicable to profits		
Profit before income tax expense	**122,372**	101,419
Tax at the corporate rate of 28% (2021: 28%)	**34,264**	28,397
Tax effect of amounts which are either non-deductible or non-assessable in calculating taxable income	**200**	506
Tax effect of disposal of buildings	**-**	(203)
Tax effect of legislative changes	**-**	(478)
Prior period adjustments	**(1)**	(2)
Total income tax expense	**34,463**	28,220

The Group has no tax losses (2021: Nil) and no unrecognised temporary differences (2021: Nil).

2.3.2 Taxation – Balance sheet

(a) Deferred Taxation

The following are the major deferred taxation liabilities and assets recognised by the Group and movements thereon during the current and prior period:

	Depreciation $000	Provisions $000	Derivative financial instruments $000	Net lease liability $000	Total $000
At 26 January 2020	(98)	3,058	202	8,514	11,676
Credited to the income statement	188	339	-	1,684	2,211
Credited to equity	-	109	-	-	109
Net credited to other comprehensive income	-	-	754[1.]	-	754
At 31 January 2021	90	3,506	956	10,198	14,750
Credited to the income statement	**94**	**602**	**-**	**562**	**1,258**
Credited to equity	**-**	**58**	**-**	**-**	**58**
Net credited to other comprehensive income	**-**	**-**	**(1,882)**[1.]	**-**	**(1,882)**
At 30 January 2022	**184**	**4,166**	**(926)**	**10,760**	**14,184**

1. Net credited to other comprehensive income comprises deferred tax on fair value loss taken to income statement of $815,392 (2021: deferred tax on fair value gain of $170,211) and deferred tax on fair value gain taken to cash flow hedge reserve of $1,067,056 (2021: deferred tax on fair value loss of $583,545).

2. Performance

For the 52 week period ended 30 January 2022

(b) Taxation payable

The following is the analysis of the movements in the taxation payable balance during the current and prior period:

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Movements:		
Balance at beginning of period	**(12,413)**	(4,895)
Current tax	**(35,721)**	(30,431)
Tax paid	**29,488**	22,675
Foreign investor tax credit (FITC)	**380**	238
Balance at end of period	**(18,266)**	(12,413)

2.3.3 Imputation credits

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Imputation credits available for use in subsequent accounting periods:	**123,557**	107,174

The above amounts represent the balance of the imputation account as at the end of the reporting period, adjusted for:

- Imputation credits that will arise from the payment of the provision for income tax,
- Imputation debits that will arise from the payment of dividends recognised as liabilities at the reporting date, and
- Imputation credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

The consolidated amounts include imputation credits that would be available to the Company if subsidiaries paid dividends.

2. Performance

For the 52 week period ended 30 January 2022

2.4 Earnings per share

Earnings per share (EPS) is the amount of post-tax profit attributable to each share.

Basic EPS is computed by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares on issue during the period.

Diluted EPS adjusts for any commitments the Group has to issue shares in the future that would decrease the Basic EPS. These are in the form of performance rights. Diluted EPS is therefore computed by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares on issue during the period, adjusted to include the potentially dilutive effect if performance rights to issue ordinary shares were exercised and converted into shares.

	Period ended 30 January 2022	Period ended 31 January 2021
Net profit attributable to shareholders $000	**87,909**	73,199
Basic		
Weighted average number of ordinary shares on issue (thousands)	**222,549**	222,340
Basic earnings per share	**39.5 cents**	32.9 cents
Diluted		
Weighted average number of ordinary shares on issue adjusted for share options and performance rights issued but not exercised (thousands)	**222,837**	223,142
Diluted earnings per share	**39.4 cents**	32.8 cents

For the 52 week period ended 30 January 2022

3. Operating Assets and Liabilities

This section reports the assets used to generate the Group's trading performance and the liabilities incurred as a result. Liabilities relating to the Group's financing activities are addressed in note 5. Assets and liabilities in relation to deferred taxation and taxation payable are shown in note 2.3. The carrying amounts of financial assets and liabilities are equivalent to their fair value unless otherwise stated.

3.1 Working Capital

Working capital represents the assets and liabilities the Group generates through its trading activity. The Group therefore defines working capital as cash, trade and other receivables, inventories and trade and other payables.

3.1.1 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Cash at bank or on hand	**102,481**	100,417

As at 30 January 2022 the Group held foreign currency equivalent to NZ$2.541 million (2021: NZ$0.735 million) which is included in the table above. The foreign currency in which the Group deals primarily is the US Dollar.

3.1.2 Trade and other receivables

Trade receivables arise from sales made to customers on credit or through the collection of purchasing rebates from suppliers not otherwise deducted from suppliers' payable accounts. Trade receivables are recognised initially at the value of the invoice sent to the customer (fair value) and subsequently at the amounts considered recoverable (amortised cost). Trade receivable balances are reviewed on an on-going basis.

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Trade receivables	**426**	431
Prepayments	**2,520**	1,937
Other receivables	**2,136**	1,166
Total trade and other receivables	**5,082**	3,534

No interest is charged on trade receivables.

3. Operating Assets and Liabilities

For the 52 week period ended 30 January 2022

3.1.3 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using a weighted average method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

Following the publication of IFRS Interpretations Committee (IRFRIC) agenda decision on Costs Necessary to Sell Inventories, in June 2021, the Group has reconsidered its accounting treatment in relation to which costs to include when determining the net realisable value of inventory. The Group's reconsideration of this accounting treatment has not resulted in any adjustment to how it determines net realisable value.

The Group assesses the likely residual value of inventory. Stock provisions are recognised for inventory which is expected to sell for less than cost and also for the value of inventory likely to have been lost to the business through shrinkage between the date of the last applicable stocktake and balance date. In recognising the provision for inventory, judgement has been applied by considering a range of factors including historical results, current trends and specific product information from buyers.

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Finished goods	**125,109**	96,027
Inventory provisions and adjustments	**(5,595)**	(4,554)
Net inventories	**119,514**	91,473

During the period the group recognised $394.4 million (2021: $385.6 million) of inventory as an expense within cost of goods sold.

3.1.4 Trade and other payables

Trade and other payable amounts represent liabilities for goods and services provided to the Group prior to the end of a financial period, which are unpaid.

Trade payables

Trade payables are recognised at the value of the invoice received from a supplier (fair value). The carrying value of trade payables is considered to approximate fair value as the amounts are unsecured and are usually paid within 60 days of recognition.

Employee entitlements

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including nonmonetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable. The liability for employee entitlements is carried at the present value of the estimated future cash flows.

Bonus plans

A liability is recognised for bonuses payable to employees where a contractual obligation arises for an agreed level of payment dependent on both company and individual performance criteria.

3. Operating Assets and Liabilities

For the 52 week period ended 30 January 2022

Long service leave

The liability for long service leave is recognised as a non-current liability 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 using the projected unit credit method. Consideration is given to expected future wage and salary levels, history of employee departure rates and periods of service. Expected future payments are discounted using market yields at the reporting date on government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions relate to returns in relation to sales of goods directly imported by the Group and are expected to be fully utilised within the next twelve months. Provisions relating to inventory, receivables and employee benefits have been treated as part of those specific balances. There are no other provisions relating to these financial statements.

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Trade payables	**43,585**	50,460
Employee entitlements	**18,465**	15,809
Other payables and accruals	**19,458**	15,516
Provisions	**152**	97
Total trade and other payables	**81,660**	81,882

Shown in balance sheet as:		
Current liabilities	**80,785**	80,952
Non-current liabilities	**875**	930
Total trade and other payables	**81,660**	81,882

3. Operating Assets and Liabilities

For the 52 week period ended 30 January 2022

3.2 Property, Plant and Equipment

All property, plant and equipment is stated at historical cost less depreciation and any impairment adjustments. Historical cost includes expenditure that is directly attributable to the acquisition of property, plant and equipment.
Costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with an item will flow to the Group and the cost of an item can be measured reliably.

Assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals of assets are determined by comparing proceeds with carrying amounts. These gains and losses are included in the income statement.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their estimated residual values, over their estimated useful lives, as follows:

- Freehold buildings 33 years
- Plant and equipment 3 - 15 years

Property, plant and equipment is reviewed whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, or value in use.

The Group assesses whether there are indications, for example loss-making stores, for certain trigger events which may indicate that an impairment in property, plant and equipment values exist at balance date.

3. Operating Assets and Liabilities

For the 52 week period ended 30 January 2022

	Land and buildings $000	Plant and equipment $000	Total $000
At 26 January 2020			
Cost	74,853	85,857	160,710
Accumulated depreciation	(5,603)	(57,842)	(63,445)
Net book value	69,250	28,015	97,265
Period ended 31 January 2021			
Opening net book value	69,250	28,015	97,265
Additions	18,504	7,036	25,540
Disposals	(263)	(155)	(418)
Reclassified as held-for-sale asset	3,410	-	3,410
Depreciation charge	(1,842)	(6,558)	(8,400)
Closing net book value	89,059	28,338	117,397
At 31 January 2021			
Cost	96,010	89,175	185,185
Accumulated depreciation	(6,951)	(60,837)	(67,788)
Net book value	89,059	28,338	117,397
Period ended 30 January 2022			
Opening net book value	**89,059**	**28,338**	**117,397**
Additions	**9,658**	**8,499**	**18,157**
Disposals	**-**	**(259)**	**(259)**
Depreciation charge	**(2,324)**	**(7,074)**	**(9,398)**
Closing net book value	**96,393**	**29,504**	**125,897**
At 30 January 2022			
Cost	**105,668**	**91,268**	**196,936**
Accumulated depreciation	**(9,275)**	**(61,764)**	**(71,039)**
Net book value	**96,393**	**29,504**	**125,897**

Capital commitments	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Capital commitments in relation to property, plant and equipment at balance date not provided for in the financial statements	**3,913**	7,458[1.]

1. $6.5 million relates to building contracts for the development and construction of new retail premises at 36 Taylors Road, Auckland and also at Silverdale, North Auckland.

3. Operating Assets and Liabilities

For the 52 week period ended 30 January 2022

3.3 Intangible Assets

Intangible assets are non-physical assets used by the Group to operate the business. Software costs have a finite useful life. Software costs are capitalised and amortised on a straight-line basis over the estimated useful economic life of 2 to 5 years.

Software as a service:
The Group previously capitalised costs incurred in configuring or customising certain suppliers application software in certain computing arrangements as intangible assets as the Group considered that it would benefit from those costs over the expected term of the computing arrangements.

Following the publication of IFRS Interpretations Committee (IFRIC) agenda decision on Configuration or Customisation Costs in a Cloud Computing Arrangement in March 2021 (and ratified by the International Accounting Standards Board (IASB) in April 2021), the Group has reconsidered its accounting treatment in relation to capitalising certain software and adopted the guidance set out in the IFRIC agenda decision, which is to recognise those costs as intangible assets only if the activities create an intangible asset that the Group controls and the intangible asset meets the recognition criteria. Costs that are not capitalised as intangible assets are expensed as incurred unless they are paid to the supplier of the cloud-based software to significantly customise the cloud-based software in which case the cost paid upfront is recorded as a prepayment for services and amortised over the expected term of the cloud computing arrangements.

As a result of this change in accounting policy, the Group has determined that certain costs relating to the implementation or development of certain software should be expensed when they were incurred as the amounts paid did not create separate intangible assets controlled by the Group. The change in treatment has not been applied retrospectively and has not had a material effect on these financial statements.

Software is the only intangible asset recorded in the financial statements. All software has been acquired externally.

3.4 Leases

Right-of-use assets and lease liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the remaining lease payments. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liabilities.

Right-of-use assets are initially recognised on commencement of lease at cost, comprising the initial amount of the lease liabilities less any lease incentives received. Right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In considering the lease term, the Group applies judgement in determining whether it is reasonably certain that an extension or termination option will be exercised.

Both right-of-use assets and lease liabilities are discounted applying interest rate implicit in the lease, or if this cannot be determined, the incremental borrowing rate at the commencement of the lease. To determine the incremental borrowing rate the Group have applied a blended secured and unsecured borrowing rate. For the secured rate the Group have utilised third party financing options and adjusted for an appropriate credit spread.

Extension options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operation. Extension options held are exercisable only by the Group and not by the respective lessor. During the period the Group recognised all extension options (2021: all recognised).

The following tables show the movements and analysis in relation to the right-of-use assets and lease liabilities, created on the adoption of NZ IFRS 16:

3. Operating Assets and Liabilities

For the 52 week period ended 30 January 2022

3.4.1 Right-of-use assets:

	Land and Buildings $000
Period ended 31 January 2021	
Opening carrying amount	266,001
Additions	13,126
Surrender	(1,577)
Depreciation for the period	(21,700)
Closing carrying amount	255,850
At 31 January 2021	
Cost	296,491
Accumulated depreciation	(40,641)
Carrying amount	255,850
Period ended 30 January 2022	
Opening carrying amount	**255,850**
Additions	**19,350**
Surrender	**(2,239)**
Depreciation for the period	**(22,172)**
Closing carrying amount	**250,789**
At 30 January 2022	
Cost	**313,602**
Accumulated depreciation	**(62,813)**
Carrying amount	**250,789**

3.4.2 Lease liabilities:

	As at 30 January 2022 $000	As at 31 January 2021 $000
Opening value	**292,271**	296,408
Additions	**19,350**	13,126
Surrender	**(3,244)**	(1,675)
Interest for the period	**14,218**	14,772
Lease payments made	**(33,377)**	(30,360)
Total lease liabilities	**289,218**	292,271

3. Operating Assets and Liabilities

For the 52 week period ended 30 January 2022

3.4.3 Lease liabilities maturity analysis:

	Minimum lease payments $000	Interest $000	Present Value $000
Within one year	33,246	(14,221)	19,025
One to five years	126,185	(47,588)	78,597
Beyond five years	253,026	(61,430)	191,596
Total	412,457	(123,239)	289,218
Current			19,025
Non-current			270,193
Total			289,218

3.4.4 Lease related expenses included in the income statement:

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Depreciation	22,172	21,700
Short-term leases	129	27
Interest on leases	14,218	14,772
Total	36,519	36,499

3.4.5 Lease payments included in the cashflow statement:

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Total cash outflow in relation to leases	33,377	30,360

For the 52 week period ended 30 January 2022

4. Investments

This section explains how the Group records investments made in listed securities.

4.1 Investment in Equity Securities

During 2015, 2018 and 2019 Briscoe Group Limited acquired a total of 48,007,465 shares in Kathmandu Holdings Limited (KMD) for a cost of $87,853,048. This holding represented a 6.77% ownership in Kathmandu as at 30 January 2022.

These shares are equity investments, quoted in the active market, which the Group has elected to designate as a financial asset at fair value through other comprehensive income (FVOCI). An adjustment was made at period end to reflect the fair value of these shares as at 30 January 2022[1].

	$000
At 26 January 2020	154,104
Additions	-
Change in fair value credited to other reserves	(92,174)
At 31 January 2021	61,930
Additions	**-**
Change in fair value credited to other reserves	**2,880**
At 30 January 2022	**64,810**

1. Fair value determined to be $1.35 per share as per NZX closing price of Kathmandu Holdings Limited as at 28 January 2022 (2021: $1.29) (Level 1 in the fair value hierarchy).

For the 52 week period ended 30 January 2022

5. Financing and Capital Structure

This section reports on the Group's funding sources and capital structure, including its balance sheet liquidity and access to capital markets.

5.1 Interest Bearing Liabilities

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

The Group has an unsecured facility with the Bank of New Zealand for $30 million. Any drawdowns are repayable in full on expiry date of the facility being 20 September 2022. Interest is payable based on the BKBM rate plus applicable margin. The facility is sufficiently flexible that the amounts can be drawn down and repaid to accommodate fluctuations in operating cash flows within overall limits, without the need for prior approval of the bank. The facility was not drawn down during the period.

The covenants entered into by the Group require specified calculations of Group's earnings before interest, tax, depreciation and amortisation (EBITDA) plus lease rental costs to exceed total fixed charges (net interest expense and lease rental costs) at the end of each half during the financial period. Similarly, EBITDA must be no less than a specified proportion of total net debt at the end of each half. The Group was in compliance with the covenants throughout the period.

There were no amounts repayable under the facility as at 30 January 2022 (2021: Nil).

Net finance income / (costs)	**Period ended 30 January 2022 $000**	**Period ended 31 January 2021 $000**
Interest income	**399**	421
Interest expense - leases	**(14,218)**	(14,772)
Interest expense – other	**(155)**	(4)
Other finance costs	**(122)**	(112)
Net finance cost	**(14,096)**	(14,467)

5.2 Financial Risk Management

The Group's activities expose it to various financial risks including credit risk, liquidity risk and market risk (such as currency risk and equity price risk). The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance. The Group uses certain derivative financial instruments to hedge certain risk exposures.

5.2.1 Derivative financial instruments

Derivatives are recognised initially at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges).

5. Financing and Capital Structure

For the 52 week period ended 30 January 2022

At the inception of a transaction the economic relationship between hedging instruments and hedged items, and the risk management objective and strategy for undertaking various hedge transactions, are documented. An assessment is also documented, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions have been and will continue to be effective in offsetting changes in fair values or cash flows of hedged items.

Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within cost of goods sold.

Amounts accumulated in other comprehensive income are recycled in the income statement in the periods when the hedged item will affect profit or loss (for instance when the forecast purchase that is hedged takes place). However, when a forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory) or a non-financial liability, the gains and losses previously deferred in other comprehensive income are transferred from other comprehensive income and included in the measurement of the initial cost or carrying amount of the asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is immediately transferred to the income statement within cost of goods sold.

Derivatives that do not qualify for hedge accounting
Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of these derivative instruments are recognised immediately in the income statement within administration expenses.

5.2.2 Credit risk

Credit risk refers to the risk of a counterparty failing to discharge an obligation. In the normal course of its business, Briscoe Group incurs credit risk from trade receivables and transactions with financial institutions. The Group places its cash, short-term investments and derivative financial instruments with only high-credit-rated, Board-approved financial institutions. Sales to retail customers are settled predominantly in cash or by using major credit cards. Less than 1% of reported sales give rise to trade receivables. The Group holds no collateral over its trade receivables.

5.2.3 Interest rate risk

The Group has no long-term interest-bearing liabilities but does have interest rate risk exposure from periodic short-term drawdowns of established funding facilities and placements of short-term deposits, as operating cash flows necessitate. The Group's short to medium term liquidity position is monitored daily and reported to the Board monthly.

5.2.4 Liquidity risk

Liquidity risk is the risk that an unforeseen event or miscalculation in the required liquidity level will result in the Group foregoing investment opportunities or not being able to meet its obligations in a timely manner, and therefore gives rise to lower investment income or to higher borrowing costs than otherwise. Prudent liquidity risk management includes maintaining sufficient cash, and ensuring the availability of adequate amounts of funding from credit facilities.

The Group's liquidity exposure is managed by ensuring sufficient levels of liquid assets and committed facilities are maintained based on regular monitoring of a rolling 3-month daily cash requirement forecast. The Group's liquidity position fluctuates throughout the period, being strongest immediately after the end of the period. The months leading up to Christmas trading put the greatest strain on Group cash flows due to the build-up of inventory as well as the interim dividend payment. The Group operates well within its available funding facilities.

5. Financing and Capital Structure

For the 52 week period ended 30 January 2022

The table below analyses the Group's financial liabilities and gross-settled forward foreign exchange contracts into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The cash flow hedge 'outflow' amounts disclosed in the table are the contractual undiscounted cash flows liable for payment by the Group in relation to all forward foreign exchange contracts in place at balance date. The cash flow hedge 'inflow' amounts represent the corresponding injection of foreign currency back to the Group as a result of the gross settlement on those contracts, converted using the forward rate at balance date. The carrying value shown is the net amount of derivative financial liabilities and assets as shown in the balance sheet. Changes in the carrying value affect profit when the underlying inventory to which the derivatives relate, is sold.

Trade and other payables are shown at carrying value in the table. No discounting has been applied as the impact of discounting is not significant.

An analysis detailing remaining contractual maturities for lease liabilities is shown in Note 3.4.3.

As at 30 January 2022

	3 months or less $000	3 – 6 months $000	6 – 9 months $000	9 – 12 months $000	Total $000	Carrying Value $000
Trade and other payables	(60,085)	-	-	-	(60,085)	(60,085)
Forward foreign exchange contracts						
Cash flow hedges:						
- outflow	(16,564)	(14,507)	(9,165)	(760)	(40,996)	
- inflow	17,855	15,601	9,912	765	44,133	
- Net	1,291	1,094	747	5	3,137	3,137

As at 31 January 2021

	3 months or less $000	3 – 6 months $000	6 – 9 months $000	9 - 12 months $000	Total $000	Carrying Value $000
Trade and other payables	(63,195)	-	-	-	(63,195)	(63,195)
Forward foreign exchange contracts						
Cash flow hedges:						
- outflow	(22,359)	(17,787)	(19,481)	(1,739)	(61,366)	
- inflow	20,971	16,777	18,524	1,748	58,020	
- Net	(1,388)	(1,010)	(957)	9	(3,346)	(3,346)

The cash flow hedges inflow amounts use the forward rate at balance date.

5. Financing and Capital Structure

For the 52 week period ended 30 January 2022

5.2.5 Market risk

Equity price risk

The Group is exposed to equity price risk arising from the investment held in Kathmandu Holdings Limited, classified in the balance sheet as investment in equity securities. (Refer note 4.1).

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from currency exposures primarily to the US dollar, in respect of purchases of inventory directly from overseas suppliers.

The Group's foreign exchange risk is managed in accordance with Board-approved Group Treasury Risk Management Policies. The current policy requires hedging of both committed and forecasted foreign currency payment levels across the current and subsequent three calendar quarters. The policy is to cover 100% of committed purchases and lower levels of forecasted purchases depending on which quarter the forecasted exposure relates to. Hedging is reviewed regularly and reported to the Board monthly.

The Group uses forward foreign exchange contracts and maintains short-term holdings of foreign currencies in foreign denominated currency bank accounts, with major financial institutions only, to hedge its foreign exchange risk in anticipation of future purchases.

The following table shows the fair value of forward foreign exchange contracts held by the Group as derivative financial instruments at balance date:

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Current assets		
Forward foreign exchange contracts	**3,137**	32
Total current derivative financial instrument assets	**3,137**	32
Current liabilities		
Forward foreign exchange contracts	-	3,378
Total current derivative financial instrument liabilities	-	3,378

The contracts are subject to an enforceable master netting arrangement, which allows for net settlement of the relevant assets and liabilities. For financial reporting purposes these are not offset.

Forward foreign exchange contracts – cash flow hedges

Where forward foreign exchange contracts have been designated and tested as an effective hedge the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in other comprehensive income. These gains or losses are released to the income statement at various dates over the subsequent financial period as the inventory for which the hedge exists, is sold.

The fair value of these contracts is determined by using valuation techniques as they are not traded in an active market. The valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. The fair value is determined by mark-to-market valuations using forward exchange. These derivatives have been determined to be within level 2 of the fair value hierarchy as all significant inputs required to ascertain their fair value are observable.

Forward foreign exchange contracts are used for hedging committed or highly probable forecast purchases of inventory for the ensuing financial period. The contracts are timed to mature when major shipments of inventory are scheduled to be dispatched and the liability settled. The cash flows are expected to occur at various dates within one year from balance date.

5. Financing and Capital Structure

For the 52 week period ended 30 January 2022

At balance date these contracts are represented by assets of $3,137,409 (2021: $32,361) and liabilities of $429 (2021: $3,378,483) and together are included in equity as part of the cash flow hedge reserve, net of deferred tax, as a net gain of $2,258,626 (2021: net loss $2,409,208). The cash flow hedge reserve also consists of gains and losses, net of deferred tax, from foreign currencies used as hedges, as a net gain of $125,434 (2021: net loss of $47,826). The total of these net gains and losses amount to a net loss of $2,384,060 (2021: net loss $2,457,034).

When forward foreign exchange contracts are not designated and tested as an effective hedge, the gain or loss on the forward foreign exchange contract is recognised in the income statement.

At balance date there are no such contracts in place (2021: Nil).

5.2.6 Sensitivity analysis

Based on historical movements and volatilities and review of current economic commentary the following movements are considered reasonably possible over the next 12 month period:

- A shift of -10% / +10% (2021: -10% / +10%) in the NZD against the USD, from the period-end rate of 0.6576 (2021: 0.7168),
- A shift of -0.25% / +1.25% (2021: -0.25% / +0.25%) in market interest rates from the period-end weighted average deposit rate of 1.13% (2021: 0.35%),
- A shift of -10% / +20% (2021: -10% / +20%) in the NZX share price of Kathmandu Holdings Ltd from the period-end closing share price of $1.35 (2021: $1.29).

If these movements were to occur, the positive / (negative) impact on consolidated profit after tax and consolidated equity for each category of financial instrument held at balance date is presented below:

As at 30 January 2022

		Interest rate				Foreign exchange rate		Equity price	
	Carrying amount $000	-0.25% Profit $000	-0.25% Equity $000	+1.25% Profit $000	+1.25% Equity $000	-10% Equity $000	+10% Equity $000	-10% Equity $000	+20% Equity $000
Financial Assets:									
Cash and cash equivalents[1.]	102,481	(180)	(180)	899	899	203	(166)	-	-
Derivatives – designated as cashflow hedges (Forward foreign exchange contracts)[2.]	3,137	-	-	-	-	3,486	(2,842)	-	-
Investment in equity securities[3.]	64,810	-	-	-	-	-	-	(6,481)	12,962
Financial Liabilities:									
Derivatives – designated as cashflow hedges (Forward foreign exchange contracts)[2.]	-	-	-	-	-	31	(25)	-	-
Total increase / (decrease)		(180)	(180)	899	899	3,720	(3,033)	(6,481)	12,962

Receivables and payables have not been included above as they are denominated in NZD and are non-interest bearing and therefore not subject to market risk.

5. Financing and Capital Structure

For the 52 week period ended 30 January 2022

As at 31 January 2021

		Interest rate				Foreign exchange rate		Equity price	
	Carrying	-0.25%		+0.25%		-10%	+10%	-10%	+20%
	amount	Profit	Equity	Profit	Equity	Equity	Equity	Equity	Equity
	$000	$000	$000	$000	$000	$000	$000	$000	$000
Financial Assets:									
Cash and cash equivalents[1.]	100,417	(179)	(179)	179	179	59	(48)	-	-
Derivatives – designated as cashflow hedges (Forward foreign exchange contracts)[2.]	32	-	-	-	-	306	(254)	-	-
Investment in equity securities[3.]	61,930	-	-	-	-	-	-	(6,193)	12,386
Financial Liabilities:									
Derivatives – designated as cashflow hedges (Forward foreign exchange contracts)[2.]	3,378	-	-	-	-	4,296	(3,579)	-	-
Total increase / (decrease)		(179)	(179)	179	179	4,661	(3,881)	(6,193)	12,386

Receivables and payables have not been included above as they are denominated in NZD and are non-interest bearing and therefore not subject to market risk.

1. *Cash and cash equivalents include deposits at call which are at floating interest rates.*
2. *Derivatives designated as cashflow hedges are foreign exchange contracts used to hedge against the NZD:USD foreign exchange risk arising from foreign denominated future purchases. There is no profit or loss sensitivity as the hedges are 100% effective.*
3. *Investment in equity securities represents shares held in Kathmandu Holdings Ltd. There is no profit or loss sensitivity as impacts from changes in KMD's share price are accounted for through equity.*

5. Financing and Capital Structure

For the 52 week period ended 30 January 2022

5.3 Equity

5.3.1 Capital risk management

The Group's capital comprises contributed equity, reserves and retained earnings.

The Group's objective when managing capital is to achieve a balance between maximising shareholder wealth and ensuring the Group is able to operate competitively with the flexibility to take advantage of growth opportunities as they arise. In order to meet these objectives the Group may adjust the amount of dividend payments made to shareholders and/or seek to raise capital through debt and/or equity. There are no specific banking or other arrangements which require the Group to maintain specified equity levels.

5.3.2 Share capital

Share capital comprises ordinary shares only. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

All shares on issue are fully paid. All ordinary shares rank equally with one vote attached to each fully paid ordinary share and have equal dividend rights and no par value.

Contributed equity – ordinary shares

	No. of authorised shares		Share capital	
	Period ended 30 January 2022	Period ended 31 January 2021	Period ended 30 January 2022	Period ended 31 January 2021
	Shares	Shares	$000	$000
Opening ordinary shares	**222,466,000**	222,188,500	**61,839**	60,752
Issue of ordinary shares arising from the exercise of options/vesting of performance rights	**90,300**	277,500	**153**[1.]	1,087[1.]
Balance at end of period	**222,556,300**	222,466,000	**61,992**	61,839

1. *When options are exercised or when performance rights vest, the amount in the equity-based remuneration reserve relating to those options exercised or performance rights vested, together with the exercise price paid by the employee, is transferred to share capital. The amounts transferred for the 90,300 shares issued during the period ended 30 January 2022 were $nil and $153,376 respectively (2021: $168,415 and $918,525 respectively for the 277,500 shares issued).*

5. Financing and Capital Structure

For the 52 week period ended 30 January 2022

5.3.3 Dividends

Provision is made for the amount of any dividend declared on or before the balance date but not distributed at balance date.

	Period ended 30 January 2022 Cents per share	Period ended 31 January 2021 Cents per share	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Interim dividend for the period ended 30 January 2022	**11.50**	-	**25,594**	-
Final dividend for the period ended 31 January 2021	**13.50**	-	**30,045**	-
Special dividend for the period ended 31 January 2021	**-**	6.00	**-**	13,348
Interim dividend for the period ended 31 January 2021	**-**	9.00	**-**	20,022
Final dividend for the period ended 26 January 2020[1.]	**-**	-	**-**	-
	25.00	15.00	**55,639**	33,370

1. *The final dividend of 12.50 cps for year ended 26 January 2020 announced on 16 March 2020 was cancelled on 23 March 2020 as a result of potential impact of Covid-19.*

All dividends paid were fully imputed (refer also to Note 2.3.3 for imputation credits available for use in subsequent periods). Supplementary dividends of $380,308 (2021: $238,416) were provided to shareholders not tax resident in New Zealand, for which the Group received a Foreign Investor Tax Credit entitlement.

On 16 March 2022 the Directors resolved to provide for a final dividend to be paid in respect of the period ended 30 January 2022. The dividend will be paid at a rate of 15.50 cents per share for all shares on issue as at 24 March 2022, with full imputation credits attached.

5.3.4 Reserves and retained earnings

Cashflow hedge reserve

The hedging reserve is used to record gains and losses on a hedging instrument in a cash flow hedge that are recognised directly in other comprehensive income, as described in the accounting policy in section 5.2. The amounts are recognised as profit or loss when the associated hedged transaction affects profit or loss. (Refer also to the consolidated statement of changes in equity).

Equity-based remuneration reserve

The equity-based remuneration reserve is used to recognise the fair value of performance rights granted but not exercised, lapsed or forfeited. Amounts are transferred to share capital when vested performance rights are exercised. (Refer also to the consolidated statement of changes in equity and note 6.2).

Other reserves

Other reserves represents the adjustment made at balance date to reflect the fair value of the investment in Kathmandu Holdings Limited. (Refer also to the consolidated statement of changes in equity and note 4.1).

For the 52 week period ended 30 January 2022

6. Other Notes

6.1 Related Party Transactions

6.1.1 Parent and ultimate controlling party

Briscoe Group Limited is the immediate parent, ultimate parent and controlling party for all companies in the Group.

During the period the Company advanced and repaid loans to its subsidiaries by way of internal current accounts. In presenting the financial statements of the Group, the effect of transactions and balances between fellow subsidiaries and those with the Company have been eliminated. No interest is charged on internal current accounts. All transactions with related parties were in the normal course of business and were provided on normal commercial terms.

The Group undertook transactions with the following related parties as detailed below:

- The RA Duke Trust, of which RA Duke is a trustee, as owner of the Rebel Sport premises at Panmure, Auckland, received rental payments (net of rental relief) of $597,226 (2021: $613,663) from the Group, under an agreement to lease premises to The Sports Authority Limited (trading as Rebel Sport). The remaining non-cancellable term of this lease is 1.2 years (2021: 2.2 years) with a payment commitment of $787,365 (2021: $1,462,249).
- Kein Geld (NZ) Limited, an entity associated with RA Duke, received rental payments (net of rental relief) of $501,999 (2021: $520,001) as owner of the Briscoes Homeware premises at Wairau Park, Auckland, under an agreement to lease premises to Briscoes (NZ) Limited. The remaining non-cancellable term of this lease is 0.1 years (2021: 1.1 years) with a payment commitment of $47,273 (2021: $614,547).
- The RA Duke Trust (including RA Duke Limited) received dividends of $42,891,596 (2021: $25,714,289).
- P Duke, spouse of RA Duke, received payments of $65,000 (2021: $65,000) in relation to her employment as an overseas buying specialist with Briscoe Group Limited, and rental payments (net of rental relief) of $816,254 (2021: $918,570) as owner of the Briscoes Homeware premises at Panmure, Auckland under an agreement to lease premises to Briscoes (NZ) Limited. The remaining non-cancellable term of this lease is 9.3 years (2021: 10.3 years) with a payment commitment of $9,237,756 (2021: $10,160,148).

6.1.2 Key management personnel

Key management includes the Directors of the Company and those employees who the Company has deemed to have disclosure obligations under subpart 6 of the Financial Markets Conduct Act 2013, namely the Chief Financial Officer, the Chief Operating Officer and the General Manager Human Resources.

Key management compensation was as follows:

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Salaries and other short-term employee benefits	**4,199**	2,854
Equity-based remuneration	**128**	100
Directors' fees	**391**	293
Total benefits	**4,718**	3,247

Key management did not receive any termination benefits during the period (2021: Nil).

Key management did not receive and are not entitled to receive any post-employment or long-term benefits (2021: Nil).

Executives (excluding Directors) included in key management received dividends of $250,195 (2021: $143,151) in relation to Briscoe Group shares held.

6. Other Notes

For the 52 week period ended 30 January 2022

6.1.3 Directors' fees and dividends

Directors received directors' fees and dividends in relation to their personally held shares as detailed below:

	Period ended 30 January 2022		Period ended 31 January 2021	
	Directors' fees	Dividends	Directors' fees	Dividends
	$000	$000	$000	$000
Executive Director				
RA Duke	-	-	-	-
Non-Executive Directors				
RPO'L Meo	148	-	132	-
AD Batterton	82	-	78	-
RAB Coupe	85	3	77	2
HJM Callaghan[1.]	76	-	6	-
	391	3	293	2

The following Directors received dividends in relation to their non-beneficially held shares as detailed below:

	Period ended 30 January 2022	Period ended 31 January 2021
	$000	$000
Executive Director		
RA Duke	42,892	25,714
Non-Executive Directors		
RPO'L Meo	25	15
AD Batterton	5	3
RAB Coupe	-	-
HJM Callaghan[1.]	-	-

1. Mark Callaghan was appointed by the Board as a Director effective from 1 January 2021.

6. Other Notes

For the 52 week period ended 30 January 2022

6.2 Employee Equity-Based Remuneration

6.2.1 Equity settled performance rights

The Senior Executive Incentive Plan grants Group employees performance rights subject to performance hurdles being met. The fair value of rights granted is recognised as an employee expense in the income statement with a corresponding increase in the employee share-based payment reserve. The fair value is measured at grant date and amortised over the vesting periods. When performance rights vest, the amount in the share-based payments reserve relating to those rights is transferred to share capital. There is no exercise price for these performance rights and there is no right to dividends during the vesting periods.

On 26 March 2019 the Board approved the Briscoe Group Senior Executive Incentive Plan to grant performance rights to key senior management personnel as a long-term incentive programme. The third tranche of performance rights were issued under this programme during the period.

Performance rights granted are summarised below:

Tranche	Grant Date	Balance at start of period (number)	Granted during the period (number)	Vested during the period (number)	Lapsed during the period (number)	Balance at the end of period (number)
1	15 Apr 2019	90,300	-	(90,300)	-	-
2	26 Jun 2019	89,286	-	-	-	89,286
3	30 Jul 2020	136,218	-	-	-	136,218
4	15 Jun 2021	-	83,334	-	-	83,334
		315,804	83,334	(90,300)	-	308,838

In each tranche the performance rights are subject to a combination of an absolute Total Shareholder Return (TSR) growth hurdle and/or an EPS growth hurdle. EPS growth hurdle is considered a non-market condition. The relative hurdle weighting for unvested tranches is shown in the table below:

Tranche	Grant Date	TSR Weighting	EPS Weighting
1	26 Jun 2019	50%	50%
2	30 Jul 2020	50%	50%
3	15 Jun 2021	50%	50%

The proportion of performance rights subject to the absolute TSR growth hurdle which may vest is dependent on Briscoe Group Limited's TSR compound annual growth rate (CAGR) across a 3-year measurement period. For each tranche that vests the rights are awarded on a straight-line basis dependent on the TSR CAGR achieved. The percentage of TSR related performance rights vest according to the following performance criteria for each unvested tranche:

% Vesting	Tranche 2	Tranche 3	Tranche 4
0%	< 10.1% CAGR	< 12.4% CAGR	< 5.0% CAGR
50%	= 10.1% CAGR	= 12.4% CAGR	= 5.0% CAGR
51% - 99% (Straight-line prorata)	> 10.1%, < 13.0% CAGR	> 12.4%, < 16.0% CAGR	> 5.0%, < 5.5% CAGR
100%	=> 13.0% CAGR	=> 16.0% CAGR	=> 5.5% CAGR

6. Other Notes

For the 52 week period ended 30 January 2022

The TSR performance is calculated across the following periods:

Tranche	Performance Period
2	Announcement date of FY 2018/19 Result to announcement date of FY 2021/22 Result
3	Announcement date of FY 2019/20 Result to announcement date of FY 2022/23 Result
4	Announcement date of FY 2020/21 Result to announcement date of FY 2023/24 Result

The fair value of the TSR performance rights have been valued under a variant of the dividend adjusted Binomial Options Pricing Model (BOPM). The fair value of TSR performance rights, along with the assumptions used to simulate the future share prices are shown below:

	Tranche 2	Tranche 3	Tranche 4
Fair value of TSR performance rights	$22,813	$47,200	$97,501
Current price at grant date	$3.30	$3.37	$5.75
Risk free interest rate	1.71%	0.30%	0.60%
Expected life (years)	2.75	2.63	2.75
Expected share volatility[1.]	16%[1.]	24%[2.]	24%[3.]

1. *Volatility represents the volatility of the Briscoe Group (BGP) NZD share price over the two-year period to February 2019.*
2. *Volatility represents the volatility of the Briscoe Group (BGP) NZD share price over a five-year period to July 2020.*
3. *Volatility represents the volatility of the Briscoe Group (BGP) NZD share price based on the average 90 day volatility for the past 3 years (measured on a daily basis).*

The estimated fair value for each tranche of performance rights issued is amortised over the vesting period from the grant date.

The proportion of performance rights subject to the EPS growth hurdle which may vest is dependent on Briscoe Group Limited's EPS compound annual growth rate (CAGR) across a 3-year measurement period. For each tranche that vests the rights are awarded on a straight-line basis dependent on the EPS CAGR achieved. The percentage of EPS related performance rights vest according to the following performance criteria:

% Vesting	Tranche 2	Tranche 3	Tranche 4
0%	< 0.8% CAGR	< 1.8% CAGR	< 2.5% CAGR
50%	= 0.8% CAGR	= 1.8% CAGR	= 2.5% CAGR
51% - 99% (Straight-line prorata)	> 0.8%, < 2.6% CAGR	> 1.8%, < 4.6% CAGR	> 2.5%, < 4.6% CAGR
100%	=> 2.6% CAGR	=> 4.6% CAGR	=> 4.6% CAGR

The EPS performance is calculated across the following periods:

Tranche	Performance Period
2	FY 2021/22 EPS relative to FY 2018/19 EPS
3	FY 2022/23 EPS relative to FY 2019/20 EPS
4	FY 2023/24 EPS relative to FY 2020/21 EPS

The fair value of the EPS performance rights have been assessed as the Briscoe Group Limited's share price as at grant date less the present value of the dividends forecast to be paid prior to each vesting date. The fair value of each EPS unvested performance right has been calculated to be $2.79, $2.76 and $5.75 for tranche 2, tranche 3 and tranche 4, respectively.

The estimated fair value for each tranche of performance rights issued is amortised over the vesting period from grant date.

Vesting of performance rights also requires the employee to remain in employment with the Company during the performance period. The Company has expensed in the income statement $217,148 (2021: $182,969) in relation to performance rights.

6. Other Notes

For the 52 week period ended 30 January 2022

6.2.2 Equity-based remuneration reserve

	Period ended 30 January 2022 $000	Period ended 31 January 2021 $000
Balance at beginning of period	**444**	841
Current period amortisation	**217**	183
Options forfeited and lapsed transferred to retained earnings	**-**	(521)
Options exercised transferred to share capital	**-**	(168)
Performance rights vested transferred to share capital	**(153)**	-
Deferred tax on performance rights	**58**	109
Balance at end of period	**566**	444

6.3 Contingent Liabilities

There were no contingent liabilities as at 30 January 2022 (2021: Nil).

6.4 Covid-19

Covid-19 has brought disruptions and uncertainties to businesses and economies globally. These disruptions have impacted on the operations of Briscoe Group through-out the last two financial years.
Firstly, during the first half of the February 2020 – January 2021 year when Level 4 and 3 lockdowns saw all bricks and mortar stores cease trading for 50 days. Then during the most recent financial year from 18 August 2021 when the NZ Government announced a further nationwide Level 4 lockdown. Most disruption was felt throughout our Auckland store network with those stores shut for a period of 84 days before reopening on 10 November 2021. All other stores were also impacted at varying times through this period.

As was the same for previous lockdown disruptions, the Group's online operation performed significantly well assisting to mitigate some of the negative impact from store closures.

Recent developments in relation to the Omicron variant highlight the uncertainty of Covid-19 impacts into the future and the Board and management continue to monitor the situation closely.

The Board note the high level of business uncertainty that continues to exist in relation to the impacts of the Covid-19 pandemic including the possibility of supply chain disruption, erosion of consumer spending and further government-imposed lockdowns. Other than minor immaterial inventory adjustments for a few impacted categories, there are no other provisions in these statements for the period ended 30 January 2022 for financial impacts of Covid-19.

6. Other Notes

For the 52 week period ended 30 January 2022

6.5 Events After Balance Date

On 16 March 2022 the Directors resolved to provide for a final dividend to be paid in respect of the period ended 30 January 2022. The dividend will be paid at a rate of 15.50 cents per share for all shares on issue as at 24 March 2022, with full imputation credits attached (Note 5.3.3).

6.6 New Accounting Standards

There were no new standards applied during the period.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for the 30 January 2022 reporting period and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Independent auditor's report

To the shareholders of Briscoe Group Limited

Our opinion

In our opinion, the accompanying consolidated financial statements of Briscoe Group Limited (the Company), including its subsidiaries (the Group), present fairly, in all material respects, the financial position of the Group as at 30 January 2022, its financial performance and its cash flows for the period then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards (IFRS).

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated balance sheet as at 30 January 2022;
- the consolidated income statement for the period then ended;
- the consolidated statement of comprehensive income for the period then ended;
- the consolidated statement of changes in equity for the period then ended;
- the consolidated statement of cash flows for the period then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

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

Independence

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Description of the key audit matter	How our audit addressed the key audit matter
Inventory existence and valuation At 30 January 2022, the Group held inventories of $119.5 million. Given the value of inventories relative to the total assets of the Group, and the judgements applied in provisioning against inventory shrinkage, slow moving and obsolete inventory, this has been considered a key audit matter. As described in note 3.1.3 to the consolidated financial statements, inventories are stated at the lower of cost and net realisable value. The Group has sophisticated inventory systems in place to accurately record and report inventory movements and the value of inventory on hand. Cyclical counts of inventories are performed at various times throughout the period which includes an assessment of slow moving and obsolete stock. The cyclical counts provide management with evidence over quantity and quality of inventory on hand. Management applies judgement in determining inventory valuation, in particular the level of provisions for inventory which is expected to sell for less than cost due to obsolescence or damage, adjustments for unearned rebate income and inventory shrinkage since the last stock count.	Our audit procedures included: • gaining an understanding of inventory processes and assessing the design and implementation of certain inventory controls, particularly controls over the cyclical counting process. • observing management's stocktake process at selected locations throughout the period and undertaking our own test counts. For those locations not visited, on a sample basis, inspecting the results of stock counts and confirming stock count variances were appropriately adjusted. • on a sample basis, testing the cost of inventory to supplier invoices and contracts providing evidence to support the accuracy of inventory costing. • we corroborated our understanding of the inventory provisioning process with merchandising personnel outside of the finance function. • testing that period-end inventory is carried at lower of cost and net realisable value by testing a sample of inventory items to the most recent retail price less costs to sell. • on a sample basis, testing unearned rebate income to supplier contracts. • assessing the shrinkage provision by testing the shrinkage rate used to calculate the provision since the last store stock counts. This includes comparing the rate used to the actual shrinkage rates previously observed and reviewing the level of actual inventory shrinkage recorded during the current period. • performing substantive analytical procedures over all material inventory provisions to assess adequacy. From the procedures performed we have no matters to report.

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Our audit approach

Overview

Overall group materiality: $6,100,000, which represents approximately 5% of profit before tax.

We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, and is a generally accepted benchmark.

We performed a full scope audit over the consolidated financial

information of the Group.

As reported above, we have one key audit matter, being:

- Inventory existence and valuation

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out above. These, together with qualitative considerations, helped us to determine the scope of our audit, the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of audit opinion or assurance conclusion thereon.

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

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors and use our professional judgement to determine the appropriate action to take.

Responsibilities of the Directors for the consolidated financial statements

The Directors are responsible, on behalf of the Company, for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related 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 consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements, as a whole, are 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 ISAs (NZ) and ISAs 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 these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board's website at:

https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-1/

This description forms part of our auditor's report.

Who we report to

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Indumin Senaratne (Indy Sena).

For and on behalf of:

PricewaterhouseCoopers

Chartered Accountants
16 March 2022

Auckland

Corporate Governance Statement

Corporate Governance

Briscoe Group is committed to maintaining the highest standards of governance by implementing best practice structures and policies. This Corporate Governance Statement sets out the corporate governance policies, practices, and processes adopted or followed by Briscoe Group (including the guiding principles, authority, responsibilities, membership and operation of the Board of Directors) and has been approved by the Board.

The best practice principles (and underlying recommendations) which Briscoe Group has had regard to in determining its governance approach, are the principles set out in the NZX Corporate Governance Code ('NZX Code'). The Board's view is that Briscoe Group's corporate governance policies, practices and processes generally follow the recommendations set by the NZX Code. This Corporate Governance Statement includes disclosure of the extent to which Briscoe Group has followed each of the recommendations in the NZX Code (or, if applicable, an explanation of why a recommendation was not followed and any alternative practices followed in lieu of the recommendation).

Briscoe Group Limited is a company incorporated in New Zealand and is also registered in Australia as a foreign company under the name Briscoe Group Australasia Limited. It is listed on the NZX and also, as a foreign exempt entity, on the Australian Securities Exchange (ASX). As such Briscoe Group is exempt from complying with most of the ASX's Listing Rules and must undertake to comply with the listing rules of its home exchange (NZX). Briscoe Group also supports the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Further information about Briscoe Group's corporate governance framework (including the Board and Board committee charters, and codes and selected policies referred to in this section) is available to view at www.briscoegroup.co.nz.

Principle 1 – Code of Ethical Behaviour

Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation.

Code of Values and Conduct and Related Policies

Recommendation 1.1: "The Board should document minimum standards of ethical behaviour to which the issuer's Directors and employees are expected to adhere (a code of ethics) and comply with the other requirements of Recommendation 1.1 of the NZX Code."

Briscoe Group requires its Directors, senior management and employees to maintain the highest standards of honesty, integrity and ethical conduct in day-to-day behaviour and decision making. The Board has adopted a Code of Conduct which incorporates the requirements set out in Recommendation 1.1, forms part of the induction process for all new employees and is available on Briscoe Group's website. The Code of Conduct is reviewed annually and was last reviewed in March 2021. All Directors and employees must provide acknowledgement that they have read and understood the content. To ensure that our expectations are known and understood, both training and reinforcement are delivered via our online learning platform as part of initial and ongoing training.

Trading in Company Securities Policy

Recommendation 1.2: "An issuer should have a financial product dealing policy which applies to employees and Directors."

The Trading in Company Securities Policy sets out Briscoe Group's requirements for all Directors and employees in relation to trading Briscoe Group shares and is available on Briscoe Group's website. In general, Directors and employees are allowed to trade in Briscoe Group shares during two 'trading windows'. Trading windows commence on the day after the half-year and full-year results are announced to the market and run for a period of 60 days. Trading outside these windows is generally prohibited. Proposed transactions by Directors and employees during the trading windows require approval. The policy also provides that no Directors, employees or independent contractors can trade shares if they are in possession of price sensitive information that is not publicly available.

Principle 2 – Board Composition and Performance

To ensure an effective Board, there should be a balance of independence, skills, knowledge, experience and perspectives.

Board Charter

Recommendation 2.1: "The Board of an issuer should operate under a written charter which sets out the roles and responsibilities of the Board. The Board charter should clearly distinguish and disclose the respective roles and responsibilities of the Board and management."

The Board has adopted a formal Board Charter which sets out the respective roles, responsibilities, composition and structure of the Board and senior management, and this is available on Briscoe Group's website. The Board is responsible for overseeing the management of the Company and its subsidiaries and to direct performance by optimising the short-term and long-term best interests of the Company and its Shareholders. This includes approving the Company's objectives, reviewing the major strategies for achieving them and monitoring the Company's performance. The focus of the Board is the creation of company and shareholder value and ensuring the Company is committed to best practice. Responsibility for the day-to-day management of Briscoe Group has been delegated to the Managing Director and other senior management. Management are responsible for implementing the objectives and strategies approved by the Board, within the ambit of risk set by the Board. The Company Secretary provides company secretarial services to the Board and is accountable to the Board through the Chair.

Nomination and Appointment of Directors

Recommendation 2.2 and 2.3: "Every issuer should have a procedure for the nomination and appointment of Directors to the Board. An issuer should enter into written agreements with each newly appointed Director establishing the terms of their appointment."

The Board collectively considers the nomination of Directors. In doing this, the Board's procedure involves careful consideration of the composition of the Board in relation to the Company's needs and operating environment to ensure relevant skills and experience. This also applies to the consideration of additional or replacement Directors, subject to the constitutional limitation of the number of Directors. In so doing, as noted above, the priority must be on ensuring the skills, experience and diversity on the Board, and the skills that are necessary or desirable for the Board to fulfil its governance role and to contribute to the long-term strategic direction of the company. The Board may engage consultants to assist in the identification, recruitment and appointment of suitable candidates.

When appointing new Directors, the Board ensures that the constitutional requirements in respect of Directors will continue to be satisfied. There must be at least three and no more than five Directors, at least two of whom are resident in New Zealand and also at least two Directors must be determined by the Board to be independent (as defined in the NZX Listing Rules). The Board also takes into consideration recommendation 2.8 - a majority of the Board should be independent Directors. The current composition of directors meets these requirements.

The constitution provides that all Directors are elected by Shareholders. Directors may be appointed by the Board to fill vacancies, but they are then subject to re-election at the next annual Shareholder meeting. In addition to Directors retiring by rotation, and eligible for re-election, nominations may be made by Shareholders. All new Directors enter into a written agreement with Briscoe Group setting out the terms of their appointment.

Directors

Recommendation 2.4: "Every issuer should disclose information about each Director in its Annual Report or on its website, including a profile of experience, length of service, independence and ownership interests."

The Board currently comprises five Directors; four independent and one Executive Director. The Board has considered which of its Directors are deemed to be independent for the purposes of the NZX Listing Rules and has determined that as at 30 January 2022, four Directors are independent Directors, including the Chair and the Chair of the Audit and Risk Committee. As at the date of this Annual Report, the Directors are:

Dame Rosanne Meo	Chair, Independent	Appointed in May 2001
Rod Duke	Executive Director	Appointed in March 1992
Tony Batterton	Independent	Appointed in June 2016
Andy Coupe	Independent	Appointed in October 2016
Mark Callaghan	Independent	Appointed in January 2021

The directors (other than Dame Rosanne Meo) have carefully considered her tenure as a director and as Chair, and whether it leads to any influence or perceived influence, in a material way, affecting her capacity to bring an independent view, to act in the best interests of Briscoe Group, or to represent shareholders. They have observed the robust and critical approach that she brings in challenging management and strategic priorities, while clearly facilitating open and constructive dialogue both between members of the Board, and also between the management and the other members of the Board. As such, they have determined that Dame Rosanne Meo continues to qualify as an independent director.

A profile of experience for each Director is available on Briscoe Group's website.

Directors disclosed the following relevant interests in shares as at 30 January 2022:

Director	Number of shares in which a relevant interest is held
Dame Rosanne Meo	**100,000 shares**
Rod Duke	**171,566,383 shares**
Tony Batterton	**20,000 shares**
Andy Coupe	**10,000 shares**

Diversity

Recommendation 2.5: "An issuer should have a written Diversity Policy which includes requirements for the Board or a relevant committee of the Board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them. The issuer should disclose the policy or a summary of it."

We appreciate that our workforce, including potential employees, come from all walks of life. Every individual is unique, having different skills and experiences including but not limited to educational opportunity and achievement. People come from many cultures and backgrounds, along with a wide range of other personal attributes including gender, age, disability (mental, learning or physical), economic background, language(s) spoken, marital/partnered status, physical appearance, race, religious beliefs and gender identity or orientation. Briscoe Group has a commitment to attracting, selecting, developing and retaining the most suitable employees from this diverse range of attributes. The Group's Diversity and Inclusiveness Policy is available on Briscoe Group's website.

Historically, information gathered through our recruitment processes has been limited in terms of data that can be used to assess diversity. We recognise that although it is critical to prevent bias in selection and hiring practices through presentation of candidate information it is equally important to capture this data to ensure we monitor and champion practices and decisions which enhance diversity. To that end, we have work underway to seek relevant information from candidates for use in reporting but which is protected so as to avoid bias in appointment decisions. The work required spans a number of information platforms and changes to internal processes and is planned to be completed by the end of the first half of the current financial year.

We have previously acknowledged the retail sector has had high representation of women in its operations and yet has seen underrepresentation in senior management roles. Last year we noted that 37% of our high potential talent in our organisation were female. We have seen a continued trend for changes in the gender mix of this critical pool of people with an increasing proportion of leaders within our business being female. With immigration limited due to border restrictions there have been less opportunities to recruit from the latter population, but we look forward to this changing in the year ahead.

Previously we had identified an inadequate focus on retail specific tertiary education along with a tendency for fewer career retailers to engage in tertiary education. In 2021 we took great pleasure in celebrating the graduation of the first of our MBA students. A further two team members joined other existing managers engaged in tertiary study. Briscoe Group recognises that support for these studies is vital. We assist our managers with a combination of contributions to fees as well as paid time out of the workplace for study and exam purposes.

The Board and management recognise that diversity without inclusiveness does not result in the balanced workforce desired in the business. Briscoe Group has in place policies and procedures to encourage and support equitable treatment for all employees and includes consideration of internal applicants for jobs with the Group. We do however agree with a recent Institute of Directors commentary which stated that diversity should be approached through the lens of demonstrated competence.

Briscoe Group has partnered with a number of external organisations to develop and deliver educational materials in this area, all of which are available through our online training platform.

We acknowledge that any narrowness in diversity is not sustainable and believe that an increased emphasis on a collaborative and inclusive culture and focus on developing talent will secure this realignment. Ensuring that all employees at all levels and in all workplace environments feel secure and safe, confident and appreciated through understanding the importance of diversity is most important to us.

A breakdown of the gender composition of Directors and officers as at the Company's balance date, including comparative figures, is shown below:

	30 January 2022		31 January 2021	
	Female	Male	Female	Male
Directors	**1**	**4**	1	4
Officers[1,2.]	**-**	**3**	-	3
Other Senior Management[3.]	**2**	**2**	2	2

1. Excludes Managing Director (included in breakdown of Directors).
2. Officers is defined as the members of the senior management team, who report either directly to the Board or to the Group Managing Director.
3. General Manager positions not reporting directly to the Group Managing Director.

Director Training

Recommendation 2.6: "Directors should undertake appropriate training to remain current on how to best perform their duties as Directors of an issuer."

The Board expects all Directors to undertake continuous education to remain current on how to best perform their responsibilities and keep abreast of changes and trends in economic, political, social, financial and legal climates and governance practices. The Board also ensures that new Directors are appropriately introduced to management and the business, that all Directors are updated on relevant industry and company issues and receive copies of appropriate company documents to enable them to perform their roles. The expectation that Directors undergo ongoing training (informal or formal) and education is reinforced in the Board Charter.

Board Evaluation

Recommendation 2.7: "The Board should have a procedure to regularly assess Director, Board and committee performance."

The Chair of the Board leads regular internal performance reviews in addition to engaging a bi-annual external evaluation of the performance of Directors, the Board as a whole, and of the Board committees against the Board and committee charters, including seeking Director's views relating to Board and committee process, efficiency and effectiveness. The Chair of the Board also engages with individual Directors to evaluate and discuss performance and professional development.

Independent Directors

Recommendation 2.8: "A majority of the Board should be Independent Directors."

The Board currently comprises five Directors; four independent and one executive Director. Further details of the Board composition are above at Recommendation 2.4.

Separation of Board Chair and CEO

Recommendation 2.9: "The Chair and the CEO should be different people."

The Board Charter makes explicit that the Chairman and the Managing Director roles are separate.

Principle 3 – Board Committees

The Board should use committees where this will enhance its effectiveness in key areas, while still retaining Board responsibility.

Audit and Risk Committee

Recommendation 3.1: "An issuer's audit committee should operate under a written charter. Membership on the audit committee should be majority independent and comprise solely of non-executive directors of the issuer. The chair of the audit committee should not also be the Chair of the Board."

The Audit and Risk Committee operates under a written Charter, and this is available on Briscoe Group's website. The Audit and Risk Committee currently comprises Tony Batterton (Chair), Dame Rosanne Meo and Andy Coupe and it met two times during the year. The Audit and Risk Committee advises and assists the Board in discharging its responsibilities with respect to financial reporting, compliance and risk management practices of Briscoe Group.

Recommendation 3.2: "Employees should only attend Audit Committee meetings at the invitation of the Audit Committee."

The Managing Director, Chief Financial Officer, Chief Operating Officer, Finance Manager and Internal Audit Manager attend Audit and Risk Committee meetings at the invitation of the Audit and Risk Committee. Briscoe Group's external auditor also attends meetings at the committee's invitation. The Audit and Risk Committee receives reports from the external auditor without management present, concerning any matters that arise in connection with the performance of management's role and otherwise as necessary to protect the independence of the Audit and Risk Committee from undue influence.

Remuneration Committee

Recommendation 3.3: "An issuer should have a Remuneration Committee which operates under a written charter (unless this is carried out by the whole Board). At least a majority of the Remuneration Committee should be independent directors. Management should only attend Remuneration Committee meetings at the invitation of the Remuneration Committee."

The Board operates a Human Resources Committee which incorporates remuneration. The Human Resources Committee currently comprises Andy Coupe (Chair), Dame Rosanne Meo and Mark Callaghan. It met three times during the year. It assists the Board in discharging its responsibilities with respect to the remuneration and performance of the Group Managing Director and other senior executives, remuneration of Directors and human resources policy and strategy. The Human Resources Committee operates under the Human Resources Committee Charter, and this is available on Briscoe Group's website. Selected management only attend Human Resource Committee meetings at the invitation of the Human Resources Committee.

Nomination Committee

Recommendation 3.4: "An issuer should establish a nomination Committee to recommend Director appointments to the Board (unless this is carried out by the whole Board), which should operate under a written charter. At least a majority of the Nomination Committee should be independent Directors."

The Board does not operate a separate Nomination Committee as Director appointments are considered by the Board as a whole. The Board's procedure for the nomination and appointment of Directors is summarised under Principle 2 above (under the heading "Nomination and Appointment of Directors").

Overview of Board Committees

Recommendation 3.5: "An issuer should consider whether it is appropriate to have any other Board committees as standing Board committees. All committees should operate under written charters. An issuer should identify the members of each of its committees, and periodically report member attendance."

The Board does not operate any other committees apart from the Audit and Risk Committee and the Human Resources Committee. Briscoe Group has considered whether any other standing Board committees are appropriate and has determined not.

Each committee operates under a charter which is available on Briscoe Group's website. Committee members are appointed from members of the Board and membership is reviewed on an annual basis. Any recommendations made by the committees are submitted to the full Board for formal approval.

Attendance at Board and Committee Meetings for the Year Ended 30 January 2022

	Board	Audit and Risk	Human Resources
Number of meetings held[1.]	15	2	3
	Attended	Attended	Attended
Dame Rosanne Meo	15	2	3
Rod Duke	15	2	3
Tony Batterton[2.]	15	2	1
Andy Coupe	15	2	3
Mark Callaghan[3.]	14	1	3

1. Additional Board meetings were held in September to regularly assess the impacts of Covid-19.
2. Tony Batterton resigned from the HR Committee effective from 31 March 2021.
3. Mark Callaghan resigned from the Audit and Risk Committee effective from 31 March 2021.

Takeover Protocols

Recommendation 3.6: "The Board should establish appropriate protocols that set out the procedure to be followed if there is a takeover offer for the issuer (amongst other matters)."

Given Briscoe Group's shareholding structure, with the largest Shareholder being a member of the Board, the Board considers the likelihood of an unanticipated takeover to be low, and so the Board does not consider this recommendation to be necessary. However, in the event of a takeover offer, the Board has already agreed that a Takeover Response Committee would be convened, comprised of Independent Directors. That committee would consider the Company's actions in relation to the takeover offer, including seeking appropriate legal, financial and strategic advice, complying with takeover regulation (including the appointment of an independent advisor under the Takeovers Code and the preparation of a Target Company Statement) and determining what additional information (if any) would be provided by the Company to the bidder.

Principle 4 – Reporting and Disclosure

The Board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures.

Continuous Disclosure

Recommendation 4.1: "An issuer's Board should have a written Continuous Disclosure Policy."

As a listed company, there is an imperative to ensure the market is informed, and the listed securities are being fairly valued by the market. In addition to statutory disclosures, the company provides ongoing updates of its operations. This material is made publicly available through releases to the NZX and ASX, in accordance with the relevant Listing Rules. Briscoe Group has a Continuous Disclosure Policy, and this is available on Briscoe Group's website. The purpose of this policy is to: ensure Briscoe Group complies with its continuous disclosure obligations; ensure timely, accurate and complete information is provided to all Shareholders and market participants; and outline the responsibilities in relation to the identification, reporting, review and disclosure of material information relevant to Briscoe Group.

Charters and Policies

Recommendation 4.2: "An issuer should make its code of ethics, Board and committee charters and the policies recommended by NZX Code, together with any other key governance documents, available on its website."

Information about Briscoe Group's corporate governance framework (including Code of Conduct, Board and Board committee charters, and other selected key governance codes and policies) is available to view on Briscoe Group's website.

Financial and Non-Financial Reporting

Recommendation 4.3: "Financial reporting should be balanced, clear and objective. An issuer should provide non-financial disclosure at least annually, including considering environmental, economic and social sustainability factors and practices. It should explain how operational or non-financial targets are measured. Non-financial reporting should be informative, include forward looking assessments, and align with key strategies and metrics monitored by the Board."

Financial Reporting

The Audit and Risk Committee oversees the quality and integrity of external financial reporting including the accuracy, completeness and timeliness of financial statements, and ensuring that financial reporting is balanced, clear and objective. It reviews annual and half year financial statements and makes recommendations to the Board concerning the application of accounting policies and practice, areas of judgement, compliance with accounting standards, stock exchange and legal requirements, and the results of the external audit.

Management's accountability for Briscoe Group's financial reporting is reinforced by the written confirmation from the Managing Director and Chief Financial Officer that, in their opinion, financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of Briscoe Group. Such representations are given on the basis of a sound system of risk management and internal control approved by the Audit and Risk Committee, which is operating effectively in all material respects in relation to financial reporting risk.

Non-Financial Reporting - Sustainability

Briscoe Group assesses its exposure to environmental, economic and social sustainability as part of the overall framework for managing risk (see Principle 6 – Risk Management). Briscoe Group is committed to improving standards of environmental performance to enable a more efficient and sustainable future. Accordingly, we have the following initiatives which are incorporated into regular management reporting to the Board.

Being one of New Zealand's leading retailers encompassing multiple large-format retail outlets, there are many ways we look to improve our environmental performance.

Briscoe Group has undertaken a materiality assessment to help formulate our strategic priorities. This assessment incorporated input from internal and external stakeholders and helped to develop a new multi-year ESG framework which outlines the Group's environmental initiatives, social impacts and a new governance cadence (refer pages 24 - 27).

In parallel to this broader ESG framework the Group's current sustainability initiatives cover:

- Waste Management
- Energy Efficiency

WASTE MANAGEMENT

The Group's waste management strategy recognises that product sourcing is the first step in the supply chain and the best opportunity in minimising unnecessary packaging. Initiatives have been implemented to:

- Work with suppliers to reduce packaging and specify recyclable packaging types at source,
- Ensure that the Group is using recyclable packaging materials in efficient quantities, and
- Ensure that stores have the adequate tools and services to enable effective landfill minimisation.

ENERGY EFFICIENCY

Specifying energy efficient elements within our building documentation for new stores ensures a high level of energy efficiency for the entire lifecycle of the building.

Operationally, comparing energy use on a site-by-site basis enables us to compare similarly sized stores and target potential future savings through investment in heating, ventilation, air-conditioning and lighting systems.

Principle 5 – Remuneration

The remuneration of Directors and executives should be transparent, fair and reasonable.

Directors' Remuneration

Recommendation 5.1: "An issuer should recommend director remuneration to shareholders for approval in a transparent manner. Actual director remuneration should be clearly disclosed in the issuer's Annual Report."

In accordance with the Constitution, Shareholder approval is sought for any increase in the pool available to pay Directors' fees. Approval was last sought in 2021, when the pool limit was set at $400,000 per annum. No additional increase to the pool will be sought during 2022.

The Board has determined the following allocation from the current pool:

	Position	Fees (per annum)
Board of Directors	Chair	$140,000
	Member	$70,000
Audit and Risk Committee	Chair	$12,000
	Member	$7,000
Human Resources Committee	Chair	$10,000
	Member	$7,000

Remuneration of Directors in the reporting period is tabulated below:

	Board Fee	Audit and Risk Committee	Human Resources Committee	Total Fees	Other Payments/ Benefits	Total Remuneration
Dame Rosanne Meo	$135,000	$6,750	$6,750	**$148,500**	-	**$148,500**
Rod Duke[1.]	-	-	-	**-**	$2,166,319	**$2,166,319**
Tony Batterton[2.]	$68,125	$12,000	$1,375	**$81,500**	-	**$81,500**
Andy Coupe	$68,125	$6,750	$9,625	**$84,500**	-	**$84,500**
Mark Callaghan[3.]	$68,125	$1,375	$6,667	**$76,167**		**$76,167**
Total	**$339,375**	**$26,875**	**$24,417**	**$390,667**	**$2,166,319**	**$2,556,986**

1. *No Directors' fees are paid to Executive Directors. For more information in relation to Executive Director remuneration refer to "Managing Director Remuneration" below.*
2. *Tony Batterton resigned from the HR Committee effective from 31 March 2021.*
3. *Mark Callaghan resigned from the HR Committee effective from 31 March 2021.*

Remuneration Policy

Recommendation 5.2: "An issuer should have a Remuneration Policy for remuneration of directors and officers, which outlines the relative weightings of remuneration components and relevant performance criteria."

Briscoe Group has adopted a Remuneration Policy which sets out the remuneration principles that apply to all Directors and employees including senior executives, to ensure that remuneration practices are fair and appropriate, and that there is a clear link between remuneration and performance. A copy of the Remuneration Policy, which is reviewed annually, is available on Briscoe Group's website. Briscoe Group is committed to applying fair and equitable remuneration and reward practices in the workplace, taking into account internal and external relativity, the commercial environment, the ability to achieve Briscoe Group's business objectives and the creation of Shareholder value. Under Briscoe Group's remuneration framework, job size relative to the relevant competitive market for talent as well as individual performance against defined key performance objectives are key considerations in all remuneration-based decisions, balanced by the organisational context. Remuneration for senior management includes a mix of fixed and variable components. Criteria for performance payments which comprise short, medium and long-term incentives are regularly appraised to ensure they incorporate changing market conditions as well as the Company's performance in relation to strategic initiatives that are deemed by the Board to be most relevant in driving Shareholder value.

Non-Executive Directors are paid fees in accordance with the table provided under 5.1. The levels at which fees are set reflects the time commitment and responsibilities of the roles of Non-Executive Directors and the figures shown under 5.1 do not include any performance-based payments. The Board uses various sources to inform its decision making on fees and consults with expert independent advisors where appropriate.

In 2019 the Board introduced the Briscoe Group Senior Executive Incentive Plan to grant performance rights to key senior management personnel as a long-term incentive (LTI) programme. Vesting is dependent upon achievement of Earnings per Share (EPS) and Absolute Total Shareholder Return (aTSR) growth targets at the end of a three-year term. Four tranches of performance rights have been issued under this programme. This replaced the existing Share Option Scheme which had been in place since 2003.

A medium-term incentive (MTI) scheme was also introduced for other selected senior management. This plan vests in cash rather than equity over a two-year period, using the same measures of EPS and aTSR as the LTI.

Periodically the Human Resources Committee, on behalf of the Board, seeks independent external advice to ensure that remuneration for senior executives is appropriate and fulfils the objectives of attraction, retention and motivation. This exercise was repeated in 2021, including for the Group Managing Director.

In this manner, the various components of remuneration maintain alignment with the interests of Shareholders, the Company and the individual.

Employee Remuneration

The number of employees and former employees within Briscoe Group (including the Managing Director but excluding any other Director) receiving remuneration and benefits above $100,000, relating to the 52-week period ending 30 January 2022 is set out in the table below:

Remuneration	Number of Employees
$100,000 - $109,999	8
$110,000 - $119,999	10
$120,000 - $129,999	6
$130,000 - $139,999	5
$140,000 - $149,999	12
$150,000 - $159,999	2
$160,000 - $169,999	3
$170,000 - $179,999	8
$180,000 - $189,999	1
$190,000 - $199,999	2
$200,000 - $209,999	5
$210,000 - $219,999	4
$230,000 - $239,999	3

Remuneration	Number of Employees
$250,000 - $259,999	1
$270,000 - $279,999	1
$310,000 - $319,999	1
$320,000 - $329,999	2
$340,000 - $349,999	1
$360,000 - $369,999	1
$410,000 - $419,999	1
$480,000 - $489,999	1
$520,000 - $529,999	1
$550,000 - $559,999	1
$760,000 - $769,999	1
$870,000 - $879,999	1
$2,160,000 - $2,169,999	1

Managing Director Remuneration

Recommendation 5.3: "An issuer should disclose the remuneration arrangements in place for the CEO in its Annual Report. This should include disclosure of the base salary, short-term incentives and long-term incentives and the performance criteria used to determine performance-based payments."

The remuneration of the Managing Director for the year ended 30 January 2022 was:

	Period Ended 30 January 2022
Base Salary	$942,256
Other Benefits	$117,052
STI	$1,107,011
Subtotal	**$2,166,319**
LTI (refer below)	-
Total Remuneration	**$2,166,319**

The remuneration of the Managing Director comprises fixed and performance payments. Fixed remuneration includes a base salary and other benefits comprising; contributions to superannuation, life insurance, health insurance and a fuel card. The Managing Director received a short-term incentive of $1,107,011. The target value of a STI payment is recommended by the Human Resources Committee, approved by the Board and linked strongly to company financial performance and performance against strategic initiatives. The Managing Director does not participate in the Medium Term Incentive Scheme and given his shareholding in the Company, nor any equity-based Long-Term Incentive Scheme.

In accordance with an externally conducted review of the remuneration package of the role of Managing Director, it was determined that, along with a review of quantums, that the structure of the package warranted change. Given the timing of the outcomes of the review, the HR Committee recommended to the Board that the potential value earnable through the incentive scheme components be treated in accordance with the Short Term Incentive Scheme rules for the balance of the current financial year.

Senior Management

Briscoe Group's senior management are appointed by the Managing Director and their key performance indicators ('KPIs') are comprised of specific Briscoe Group financial objectives along with business related individual objectives. Establishing and monitoring these KPIs is done annually by the Managing Director recommending the KPIs to the Human Resources Committee, which in turn, makes recommendations to the Board for approval. The performance of the senior management against these KPIs is evaluated annually and serves as a key determinant of any short-term incentive scheme values and payments.

Short Term Incentive Payments

Short term incentive (STI) payments are at risk cash payments designed to motivate and reward for short term (within each financial year) performance. The target value of a STI payment is set by the Managing Director with a specified dollar potential available to each participant in the scheme. The target areas for all employees who are entitled to a STI payment are set based on a combination of company financial performance, specific financial performance relative to the employee's areas of responsibility and individual goals. The weightings applied to each of the target areas will be largely consistent throughout the company for roles entitled to a STI payment but may vary depending on specific areas of focus as determined by the Managing Director. The Board approves the STI payments to be made to senior management at the end of the financial year and approves the senior management targets for the following year.

Medium Term Incentive Payments

Medium term incentive (MTI) payments are at risk cash payments designed to motivate and reward for medium term (crossing two financial years) performance. A two-year term provides for evaluation of performance over a longer term than used for purposes of STI and ensures a degree of impact or sustainability thereby avoiding or reducing the risk of "short-termism". MTI participants are members of the senior management team who significantly influence achievement of the Company's performance. The target value of an MTI payment is recommended by the Managing Director for approval by the Board, with a specified dollar amount potentially available to each participant in the scheme. Performance is assessed at Company rather than individual level with measures aligned to those of the Long Term Incentive Scheme (LTI) scheme, albeit over a slightly lesser timeframe. The Board will review performance and approve any MTI payments to be made to senior management at the end of the financial year and approve objectives for the following year. Participants in the MTI do not participate in the LTI.

Long Term Incentive Payments

On 26 March 2019 the Board approved a Senior Executive Incentive Plan under which selected senior employees could be granted Performance Rights which upon vesting would reward the employees with ordinary shares in the Company. Vesting of the Performance Rights occurs after three years and is subject to the achievement of certain performance hurdles, relating to the Company's achievement against Total Shareholder Return and Earnings Per Share growth targets. This plan replaced the Share Option Scheme which had been in place since 2003. Participants in the LTI do not participate in the MTI.

Four tranches of Performance Rights have been issued under this Plan.

Principle 6 – Risk Management

Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.

Risk Management

Recommendation 6.1: "An issuer should have a risk management framework for its business and the issuer's Board should receive and review regular reports. A framework should also be put in place to manage any existing risks and to report the material risks facing the business and how these are being managed."

The Board is responsible for Briscoe Group's risk assessment, management and internal control and it believes has carried out a robust risk assessment process. Principally through the Audit and Risk Committee, the Board monitors policies and processes that identify significant business risks and implements procedures to monitor these risks. A management risk committee comprising the Managing Director, Chief Financial Officer, Chief Operating Officer and Internal Audit Manager meets every quarter to identify and assess the major risks affecting the business by maintaining a risk matrix which is used to develop strategies to monitor and mitigate these risks. Risks are assessed against the impact of the risk and the likelihood of it eventuating. The risk matrix is provided to the Board six monthly. The management risk committee reports to the Audit and Risk committee. Significant risks are discussed at Board meetings, or as required. Briscoe Group maintains insurance policies that it considers adequate to meet insurable risks.

Health and Safety

Recommendation 6.2: "An issuer should disclose how it manages its health and safety risks and should report on their health and safety risks, performance and management."

The Human Resources Committee, the General Manager Human Resources and specialist team members in the Human Resource function assist the Board in meeting its responsibilities under the Health and Safety at Work Act 2015, other regulations and policies.

The Human Resources Committee, along with management, is responsible for ensuring that Health and Safety has appropriate focus and is sufficiently resourced to achieve its objectives within Briscoe Group.

Company performance across a range of measures of Health and Safety are a consistent and priority agenda item at all Board meetings. The Board and senior management are apprised of all notifiable incidents and injuries and the actions taken to ensure the health and wellbeing of injured persons. Actions taken to prevent incident recurrence are also advised.

Management operates and assesses the effectiveness of risk assessment and mitigation, safety processes and systems, capability of staff and the general culture of the business in relation to safety.

Briscoe Group has implemented a Health and Safety Risk Matrix to identify specific hazards and risks, assess their severity of impact and likelihood of occurrence, document mitigation strategies and determine the level of residual risk. The matrix incorporates mental wellness in addition to physical safety. This matrix is reviewed at least annually by the Board and annual Health and Safety objectives and KPIs are set for the business based on the significant risks identified.

The Company operates a continuous system of hazard identification and management along with monthly reviews of performance to ensure that opportunities for improvement are identified and progressed. In 2021 significant teamwork across the business saw the introduction of the External Contractor module in our online Health & Safety portal, ecoPortal. This functionality provides for accreditation of approved suppliers and tradespeople and links works to be performed at our sites with risks and mitigation requirements. Alongside the development of Traffic Management Plans (TMP's) for our new sites at Silverdale and in Morningside, reviews of TMP's for our highest risk sites were commenced. Continuous vigilance in this area is vital to the safety and wellbeing of our team and other visitors to our sites.

This year also saw extensive work in the area of team member and customer safety in response to increased anti-social and violent behaviour by visitors to our sites. Work across the Briscoe Group team has been complemented by work with and by external stakeholders including the New Zealand Police, other retailers and Retail New Zealand. We have recognised this as a priority in order to protect both the physical and mental wellbeing of our team. Our work in this area will continue with a wide range of considerations including but not limited to the training provided to our team, equipment provided to our Loss Prevention Specialists and management teams, systems and processes used to identify and monitor undesirable behaviour. We have been clear with our team that nothing, including loss of product, is more important than their health and safety.

With the continued impacts of the Covid-19 pandemic, we maintained our extensive communication and information activities complemented by our physical and mental health and wellbeing programmes. We continue to closely monitor a range of indicators including our Employee Assistance Programme information to ensure our actions are targeting known needs as well as identifying new issues or concerns. The introduction of our Employee Engagement platform at the end of the last financial year provides further opportunity for feedback from our team on health and safety as well as other matters.

Both senior management and the Board receive regular updates on our health and safety performance. Complementing our regular reviews, our annual deep dive with the Board continues to ensure we challenge ourselves to improve on prior performance through reductions in health and safety incidents, injury frequency and severity.

Despite the continuation of a significant Covid-19 related workload, the continued advances we have made in ensuring a healthy and safe place to work have been pleasing.

Principle 7 – Auditors

The Board should ensure the quality and independence of the external audit process.

External Audit

Recommendation 7.1 and 7.2: The Board should establish a framework for the issuer's relationship with its external auditors. This should include procedures prescribed in the NZX Code. The external auditor should attend the issuer's annual shareholders meeting to answer questions from shareholders in relation to the audit.

The Audit and Risk Committee is responsible for the oversight of Briscoe Group's external audit arrangements. These arrangements include procedures for the matters described in Recommendation 7.1 of the NZX Code.

The Audit and Risk Committee is committed to ensuring Briscoe Group's external auditor is able to carry out its work independently so that financial reporting is reliable and credible. Briscoe Group has an External Auditor Independence policy, which is available on Briscoe Group's website. The External Audit Independence policy implements the procedures set out in the NZX Code. Regular rotation of the Company's external audit firm is not mandated however, the Engagement and Quality Review partners of the Company's external auditors are required to rotate every five years and are subject to a two-year cooling-off period.

The policy sets out the work that the external auditor is required to do and specifies the services that the external auditor is not permitted to do unless authorised by the both the Chairman and Chairman of the Audit and Risk Committee and so advised to the Board. This is so the ability of the auditor to carry out its work is not impaired and could not reasonably be perceived to be impaired.

During 2021 a benchmarking exercise was undertaken by the Board which involved discussions with other external audit companies capable of fulfilling the Group's external audit requirements. As a result of this exercise the Board was satisfied that the current external auditor remained the most appropriate choice for the Group's external audit engagement.

The external auditor has historically attended the Annual Shareholders' Meeting, and the lead audit partner is available to answer relevant questions from Shareholders at that meeting.

Briscoe Group's external auditor is PricewaterhouseCoopers. Total fees paid to PricewaterhouseCoopers in its capacity as auditor for period ended 30 January 2022 were $134,000 (2021: 108,000). Total fees paid to PricewaterhouseCoopers for other professional services for the period ended 30 January 2022 were $33,000 (2021: $26,000). The other service fees comprise a half yearly review.

Internal Audit

Recommendation 7.3: Internal audit functions should be disclosed.

Briscoe Group has an internal audit team that performs assurance and compliance reviews across company operations as part of a risk-based programme of work approved by the Audit and Risk Committee. In scope are all aspects of the Group's store and non-store operations. In addition to the assurance and compliance work, the internal audit team provide advice to improve both established systems and processes, and during the design and implementation phase of new systems and processes. The Internal Audit Manager reports functionally to the Audit and Risk Committee and administratively to the Chief Financial Officer. The Internal Audit Manager provides regular reporting to management as well as to the Board and Audit and Risk Committee.

Principle 8 – Shareholder Rights and Relations

The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer.

Information for Shareholders

Recommendation 8.1: "An issuer should have a website where investors and interested stakeholders can access financial and operational information and key corporate governance information about the issuer."

Briscoe Group is committed to an open and transparent relationship with Shareholders. The Board aims to ensure that all Shareholders are provided with all information necessary to assess Briscoe Group's direction and performance.

This is done through a range of communication methods including periodic and continuous disclosures to NZX and ASX, half year and annual reports and the Annual Shareholders' Meeting. Briscoe Group's website provides financial and operational information, information about its Directors and senior management and copies of its governance documents, for investors and interested stakeholders to access at any time.

Communicating with Shareholders

Recommendation 8.2: "An issuer should allow investors the ability to easily communicate with the issuer, including providing the option to receive communications from the issuer electronically."

Shareholders have the option of receiving their communications electronically, including by email or through Briscoe Group's investor centre. Briscoe Group's website includes a section for Shareholder communications and the Board has always been committed to having an open dialogue with Shareholders and welcomes investor enquiries.

Shareholder Voting Rights

Recommendation 8.3: "Shareholders should have the right to vote on major decisions which may change the nature of the company in which they are invested."

In accordance with the Companies Act 1993, the Company's Constitution, and the NZX and ASX Listing Rules, Briscoe Group refers any significant matters to Shareholders for approval at a Shareholder meeting.

Further Capital

Recommendation 8.4: "If seeking additional equity capital, an issuer should offer further equity securities to existing shareholders of the same class on a pro rata basis, and on no less favourable terms, before further equity securities are offered to other investors."

If the Company seeks additional equity capital, the Board will ensure it considers the interests of existing shareholders and, where that is reasonable and in the best interests of the Company, permit shareholders to participate on a pro-rata basis.

Notice of Annual Shareholders meeting

Recommendation 8.5: "The Board should ensure that the annual shareholders notice of meeting is posted on the issuer's website as soon as possible and at least 20 working days prior to the meeting."

Briscoe Group posts any Notices of Shareholder meetings on its website as soon as these are available. The general practice is to make these available not less than four weeks prior to the Shareholder meeting.

General Disclosures

Board of Directors

Dame Rosanne Meo, DNZM, OBE, BA, Dip BIA: Chairman (Non-Executive)
Director of AMP Administration (NZ) Ltd and Rosanne Meo Consulting. Chartered Fellow of Institute of Directors.

Rod Duke: Group Managing Director and Deputy Chairman
Group Managing Director since 1991. Director of Kein Geld (NZ) Limited, RA Duke Limited, Briscoe Share Plan Trustee Limited and RD Golf Investments Limited.

Tony Batterton, BCom, C.A: Director (Non-Executive)
Partner and Executive Director of Evergreen Partners Ltd. Non-Executive Director of Direct Capital Investments Ltd, Direct Capital IV Investments Ltd, Direct Capital IV Management Ltd, Direct Capital IV Partners Ltd, Direct Capital IV GP Ltd, P F Olsen Group Ltd, PF Olsen Ltd, Siplow Nominees Ltd, Direct Capital Partners Ltd, NZ Fine Touring Group and Evergreen Partners GP Ltd.

Andy Coupe, LLB: Director (Non-Executive)
Chairman of Television New Zealand Ltd and the New Zealand Takeovers Panel. Director of Kingfish Ltd, Barramundi Ltd, Marlin Global Ltd. Chartered Member of Institute of Directors.

Mark Callaghan, BCA (Hons): Director (Non-Executive)
Chairman of OPD Holdings Ltd, Office Products Depot Ltd, Hepstone Ltd and Callaghan Associates Ltd.
Member of Institute of Directors.

Subsidiary Companies
No employee of the Group appointed as a Director of Briscoe Group Limited or its subsidiaries receives or retains any remuneration or other benefits in their capacity as a Director.

The remuneration and other benefits of such employees (received as employees) totalling $100,000 or more during the year ended 30 January 2022, are included in the relevant bandings for remuneration disclosed as part of the "Remuneration" section of the Corporate Governance Statement included in this Annual Report (page 83).

The persons who held office as Directors of subsidiary companies at 30 January 2022 are as follows:

Briscoes (New Zealand) Limited
Rod Duke, Geoff Scowcroft

The Sports Authority Limited
Rod Duke, Geoff Scowcroft

Rebel Sport Limited
Rod Duke

Living & Giving Limited
Rod Duke

Principal Activities of the Group

Briscoe Group Limited is a non-trading holding company but provides management services to its subsidiaries.

The principal trading subsidiaries are Briscoes (New Zealand) Limited, a specialist homeware retailer selling leading branded products, and The Sports Authority Limited, (trading as Rebel Sport), New Zealand's largest retailer of most leading brands of sporting goods. The subsidiaries are 100% owned by Briscoe Group Limited.

During the period there were no changes to the nature of Briscoe Group Limited's business or that of its subsidiaries. There were also no changes to company structure.

Directors

A. Shareholdings

Beneficially Held	**As at 18 March 2022 Number of shares**
RAB Coupe	10,000

Non-Beneficially Held	**As at 18 March 2022 Number of shares**
RA Duke as Trustee of the RA Duke Trust	171,566,383
RPO'L Meo	100,000
AD Batterton	20,000

For further details refer to Substantial Product Holders information (page 91).

B. Share dealings

During the 52 week period ended 30 January 2022 no director acquired shares in the Company.

There were no other changes to Directors' interests in Briscoe Group Limited during the period.

C. Directors' Insurance

As provided by the Group's Constitution and in accordance with Section 162 of the Companies Act 1993 the Group has arranged Directors' and Officers' Liability Insurance which ensures Directors will incur no monetary loss as a result of actions undertaken by them as Directors provided they act within the law.

D. Interests in contracts

During the 52-week period ended 30 January 2022 the following Directors have declared pursuant to Section 140 (1) of the Companies Act 1993 that they be regarded as having an interest in the following transactions:

- The RA Duke Trust, of which RA Duke is a trustee, as owner of the Rebel Sport premises at Panmure, Auckland, received rental payments of $597,226 (2021: $613,663), under an agreement to lease premises to The Sports Authority Limited (trading as Rebel Sport. Refer to Note 6.1.1 of the financial statements).
- Kein Geld (NZ) Limited, an entity associated with RA Duke, received rental payments of $502,000 (2021: $520,000), under an agreement to lease premises to Briscoes (NZ) Limited. (Refer to Note 6.1.1 of the financial statements).

E. Directors' and Officers' use of Company Information

During the period the Board received no notices pursuant to Section 145 of the Companies Act 1993 relating to use of Company information.

Shareholders Information
Holding Range at 18 March 2022

	No. Investors	Total Holdings	%
1 – 1000	1,212	761,062	0.34
1,001 – 5,000	1,815	5,211,452	2.34
5,001 – 10,000	613	4,791,405	2.15
10,001 – 100,000	480	11,256,123	5.06
100,001 and over	32	200,625,544	90.11
Total	**4,152**	**222,645,586**	**100%**

Substantial Product Holders

The following information is given pursuant to section 293 of the Financial Markets Conduct Act 2013. As at 30 January 2022, details of the Substantial Product Holders in the company and their relevant interests in the company's shares are as follows:

Substantial Product Holder	Holding as at 30 January 2022[1]
R A Duke[2.]	171,566,383

1. *This information reflects the company's records and disclosures made under section 280(1)(b) of the Financial Markets Conduct Act 2013.*
2. *R A Duke has a relevant interest as a trustee of the R A Duke Trust which was disclosed in the SSH notice dated 13 October 2016, in respect of 170,081,138 ordinary shares. As at 30 January 2022 this interest was in respect of 171,566,383 ordinary shares.*

The total number of ordinary shares on issue (being all of the voting shares of the company) as at 30 January 2022 was 222,556,300.

Top 20 Shareholders

As at 18 March 2022

Rank	Holder's Name*	Total	%
1	JB Were (NZ) Nominees Limited **	173,694,669	78.01
2=	Gerald Harvey	5,250,000	2.36
2=	Harvey Norman Properties (NZ) Ltd	5,250,000	2.36
4	Custodial Services Limited	2,674,939	1.20
5	FNZ Custodians Limited	1,369,411	0.62
6	Alaister John Wall, Beverley Ann Wall and Benedict Dougles Tauber as Trustees of Tunusa Trust established for the benefit of the family of AJ and BA Wall	1,230,000	0.55
7	HSBC Nominees (New Zealand) Limited	1,013,462	0.46
8	Stuart Hamilton Johnstone and Lorraine Rose Johnstone	1,000,000	0.45
9	Forsyth Barr Custodians Limited	830,641	0.37
10	Accident Compensation Corporation	706,585	0.32
11	Manhattan Trustee Limited	683,000	0.31
12	Public Trust	646,955	0.29
13	New Zealand Depository Nominee	576,850	0.26
14	Peter William Burilin	540,839	0.24
15	Shu Wen Chiang	534,861	0.24
16	Hobson Wealth Custodian Limited	418,120	0.19
17	Carla Ingrid Brockman	336,300	0.15
18	Gemscott Limited	335,000	0.15
19	Shih Ting Huang	306,719	0.14
20	Geoffrey Peter Scowcroft	303,061	0.14

* *A number of the registered holders listed below hold shares as nominees for, or on behalf of, other parties.*

** *Includes 171,566,383 shares in relation to holdings associated with R A Duke.*

Directory

Directors

Dame Rosanne PO'L Meo (Chairman)

Rodney A. Duke

Anthony (Tony) D. Batterton

Richard A. (Andy) Coupe

Hugh J. M. (Mark) Callaghan

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Auckland Mail Centre

Auckland

Solicitors

Simpson Grierson

Bankers

Bank of New Zealand

Auditors

PwC

Share Registrar

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15 Customs Street West

Auckland 1010

Telephone +64 9 375 5998

Websites

www.briscoegroup.co.nz

www.briscoes.co.nz

www.rebelsport.co.nz

www.livingandgiving.co.nz

Continue to be relevant to our dynamic marketplace. Challenge ways of doing our business, continue to be successful and

BRISCOES HOMEWARE

shoppers in a very testing, yet ourselves to test and trial better to ensure these Brands will loved, now and in the future!

REBEL SPORT

briscoegroup.co.nz