HEALTHY HOMES HEALTHY LIVING

INTERIM REPORT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

Just Life Group


VENTILATION SOLUTIONS
NATURAL LIGHT SOLUTIONS
WATER SOLUTIONS

Contents

Our brands

Just Water.

- New Zealand's leading brand of water cooler
- Recurring income from a customer base built up over 30 years
- Global trend towards drinking water versus sugary drinks
- Trend towards drinking safe water is increasing

unovent®

- Just Life Group's own patented product
- Disruptor in established home ventilation market
- Less expensive – no ducting required
- Less electricity cost to run – only $1 a month for an average home
- Low cost for filter change and easy as changing a light bulb

In all brands, we own the relationship with the customer.

SOLATUBE

Innovation in Daylighting™

- Just Life Group has been sole New Zealand distributor for 25 years
- 16 trained licensees throughout New Zealand
- Unique tubular skylight system
- Natural light into dark spaces
- Blocks UV rays and heat coming into the home
- The highest light output of all tubular skylight systems

- Known brand through TV and other advertising
- Customer focused – very efficient follow-up process
- Contractors throughout New Zealand
- Recession proof as the focus is on replacing existing systems
- Well positioned with the Government's move on fossil fuels

hometech™

Better spaces. Better lives.

- Trade supplier brand
- Contractors throughout New Zealand
- Trend towards installed solutions

Chair and Chief Executive Officer's Report

The first half of the FY2021 year was the most dramatic six months in the recent history of the Group. We restructured the company in June 2020, merging the businesses of Just Water and Hometech into the Just Life Group. The management focus was to turn this merged group into a 'well-oiled machine', which has now been achieved.

In summary, after-tax earnings for the period were $1.6 million, compared to $1.4 million during the corresponding period in the prior year, an increase of 16%. This was an increase in earnings per share from 1.6 cents to 1.8 cents.

As previously advised, FY2021 revenue was always going to be significantly reduced. Fortunately, the revenue decrease was held to only 9%. With our reduced operating costs as a result of the restructure plus three months' trading results from The Cylinder Guy, we are pleased to be able to report an increase in earnings.

The Cylinder Guy contributed $155,000 earnings during the period 1 October to 31 December 2020, being the first three-month period of ownership.

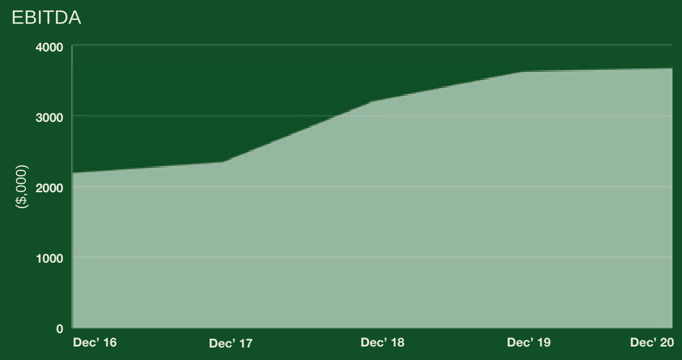
Statement of Comprehensive Income highlights

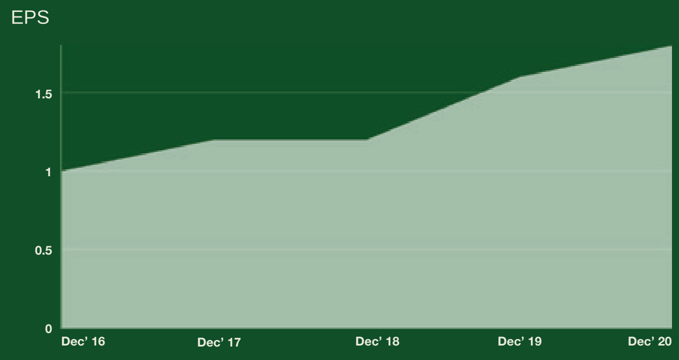
	Current half year $000	Previous corresponding half year $000	% change
Operating revenue	15,189	16,646	(9%)
Profit before interest and tax	2,473	2,312	7%
Net profit after tax	1,634	1,406	16%

Tony Falkenstein
Chief Executive Officer

Chair and Chief Executive Officer's Report

(Continued)





Statement of Financial Position highlights

Shareholder equity increased from $16.5 million at 31 December 2019 to $18.9 million at 31 December 2020. (At 30 June 2020, shareholder equity was $17.7 million.)

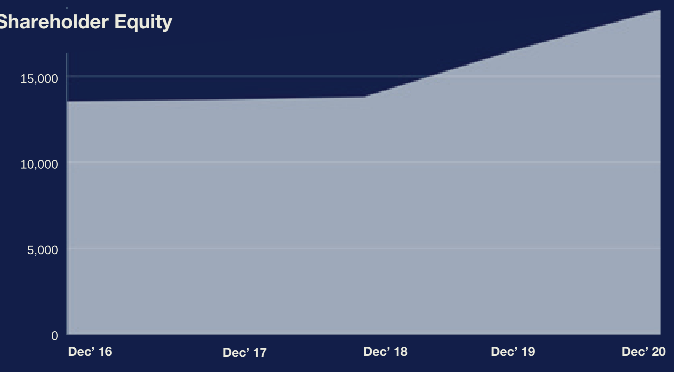
During the past year the interest-bearing debt levels of the Group relative to its total assets reduced from 30% of total assets as at 31 December 2019, to 24% as at 30 June 2020 and reduced further to 23% at 31 December 2020. This provides us with ongoing headroom to borrow funds if we believe it is appropriate to do so.

Cash flows from operating activities were $3.3 million for the six months to 31 December 2020 compared to $2.0 million for the same period last year. Free cash flow increased from $1.3 million for the six months to 31 December 2019 to $2.9 million for the six months to 31 December 2020.

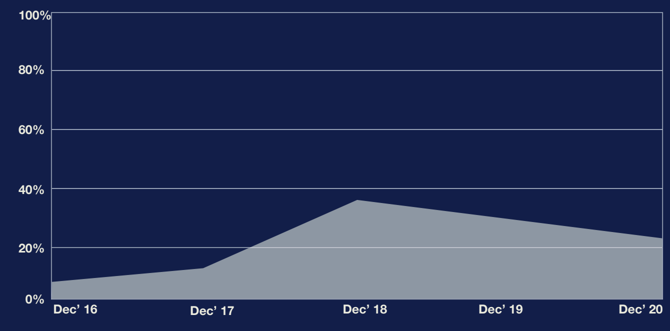
Shareholder interim dividend

The Company's earnings for the first six months of FY2021 are 16% ahead of the corresponding period in the previous year, primarily as a result of operating efficiencies, and the restructure in June 2020. The directors have decided to declare an interim dividend of 1.0 cent per share (2020 – 1.0 cents), with a record date of 12 March 2021 and payment date of 19 March 2021.

Phil Norman
Chair



Shareholder Equity



Debt (interest-bearing) as a % of Total Assets

Future strategy

As announced at the Annual Meeting, our future strategy is to grow the current business, while searching for targeted acquisitions within our strategy of focussing the business of the Group on Healthy Living and Healthy Homes.

The Board believes that businesses aligned to these objectives will continue to see strong growth, and we expect consumers to be even more focused on their health and wellbeing in a post-COVID 19 world.

We successfully executed one acquisition in this half year, being the acquisition of The Cylinder Guy. The appeal of this business is that a hot water cylinder is a necessity in most homes. There are 1.8 million homes in New Zealand, and every 15 to 20 years the hot water cylinder needs replacing. With the strong brand, achieved by years of advertising, The Cylinder Guy is well positioned to take advantage of this opportunity.

We are in discussion with a number of other parties and will continue to expand our pipeline of acquisition opportunities.

With a motivated team, a solid balance sheet and a strong cash flow, we look forward to the future with confidence.

A special thank you

There is no doubt that the half year has been challenging, knowing a potential lockdown was upon us at any time. We thank all our staff, as well as customers, suppliers and shareholders, for their support and loyalty through this period.

Phil Norman
Chair

Tony Falkenstein
Chief Executive Officer

Consolidated Statement of Comprehensive Income

For the six months ended 31 December 2020

	Notes	Group for the six months ended 31 December 2020 (unaudited) $000	Group for the six months ended 31 December 2019 (unaudited) $000
Revenue		15,072	16,565
Other income		117	70
Revenue		**15,189**	**16,635**
Employee costs		(4,129)	(4,758)
Purchases of finished goods and consumables		(3,344)	(3,239)
Marketing expenses		(509)	(617)
Other expenses		(3,530)	(4,390)
Earnings before interest, tax, depreciation and amortisation	**1**	**3,677**	**3,631**
Depreciation		(673)	(738)
Amortisation of intangible assets		(257)	(273)
Amortisation of right of use assets		(274)	(308)
Profit before interest and tax		**2,473**	**2,312**
Interest expense		(235)	(289)
Profit before income tax		**2,238**	**2,023**
Income tax expense		(604)	(617)
Profit for the period		**1,634**	**1,406**
Other comprehensive income			
Hedging reserve		(140)	(54)
Total comprehensive income		**1,494**	**1,352**
Earnings per share for profit attributable to the shareholders of the parent			
Basic earnings per share (cents)		1.8	1.6

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

Consolidated Statement of Financial Position

As at 31 December 2020

	Notes	Group as at 31 December 2020 (unaudited) $000	Group as at 31 December 2019 (unaudited) $000	Group as at 30 June 2020 (audited) $000
CURRENT ASSETS				
Cash and cash equivalents		9	2	2
Trade and other receivables	4	3,506	3,983	3,703
Contract work in progress		655	246	434
Current tax receivables		-	88	-
Inventories		1,759	2,467	2,698
Total current assets		**5,929**	**6,786**	**6,837**
NON-CURRENT ASSETS				
Property, plant and equipment		10,222	10,512	10,619
Intangible assets		14,838	12,801	12,815
Deferred tax assets		473	657	474
Other assets		94	369	218
Right of use assets		1,597	1,357	1,866
Total non-current assets		**27,224**	**25,696**	**25,992**
TOTAL ASSETS		**33,153**	**32,482**	**32,829**
CURRENT LIABILITIES				
Bank overdraft		254	288	319
Interest-bearing loans and borrowings	3	-	700	700
Trade and other payables		3,822	4,102	4,194
Current tax liabilities		303	-	572
Lease liabilities		411	496	482
Contract liabilities		699	542	568
Derivative liabilities		145	54	4
Total current liabilities		**5,634**	**6,182**	**6,839**
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings	3	7,350	8,900	6,870
Lease liabilities		1,253	886	1,430
Total non-current liabilities		8,603	9,786	8,300
TOTAL LIABILITIES		**14,237**	**15,968**	**15,139**
NET ASSETS		**18,916**	**16,514**	**17,690**
EQUITY				
Issued capital		23,857	23,126	23,141
Accumulated losses		(6,449)	(7,710)	(7,089)
Share option reserve		21	5	11
Hedging reserve		(144)	(54)	(4)
Asset revaluation reserve		1,631	1,147	1,631
TOTAL EQUITY		**18,916**	**16,514**	**17,690**

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

Consolidated Statement of Changes in Equity

For six months ended 31 December 2020

	Notes	Issued capital $000	Retained earnings / (losses) $000	Share option reserve $000	Hedging reserve $000	Asset revaluation reserve $000	Total equity $000
		-	-	-	-	-	-
Balance as at 30 June 2019 (audited)		**21,853**	**(7,184)**	**3**	**-**	**1,147**	**15,819**
Profit for the period		-	1,406	-	-	-	1,406
Hedging reserve		-	-	-	(54)	-	(54)
Dividends paid	6	-	(1,932)	-	-	-	(1,932)
Issue of ordinary shares in relation to the Dividend Reinvestment Plan		1,273	-	-	-	-	1,273
Fair value of options issued		-	-	2	-	-	2
Balance as at 31 December 2019 (unaudited)		**23,126**	**(7,710)**	**5**	**(54)**	**1,147**	**16,514**
Profit for the period		-	1,525	-	-	-	1,525
Asset revaluation		-	-	-	-	484	484
Hedging reserve		-	-	-	50	-	50
Dividends paid		-	(904)	-	-	-	(904)
Issue of ordinary shares in relation to the Dividend Reinvestment Plan		15	-	-	-	-	15
Fair value of options issued		-	-	6	-	-	6
Balance at 30 June 2020 (audited)		**23,141**	**(7,089)**	**11**	**(4)**	**1,631**	**17,690**
Profit for the period		-	1,634	-	-	-	1,634
Hedging reserve		-	-	-	(140)	-	(140)
Dividends paid	6	-	(994)	-	-	-	(994)
Issue of ordinary shares in relation to the Dividend Reinvestment Plan		716	-	-	-	-	716
Fair value of options issued		-	-	10	-	-	10
Balance at 31 December 2020 (unaudited)		**23,857**	**(6,449)**	**21**	**(144)**	**1,631**	**18,916**

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

Consolidated Statement of Cash Flows

For the six months ended 31 December 2020

	31 December 2020 $000	31 December 2019 $000
Cash flows from operating activities		
Receipts from customers	15,752	16,867
Payments to suppliers and employees	(11,609)	(14,135)
Interest paid	(236)	(294)
Income tax paid	(603)	(484)
Net cash flows from operating activities	3,304	1,954
Cash flows from investing activities		
Aquisition through business combination	(2,100)	-
Purchase of property, plant and equipment	(330)	(541)
Proceeds from sale of property, plant and equipment	-	19
Purchases of intangible assets	(51)	(131)
Net cash flows used in investing activities	(2,481)	(653)
Cash flows from financing activities		
Proceeds from borrowings	-	775
Repayment of borrowings	(220)	(1,112)
Dividends paid to Company's shareholders (net of dividend reinvestment plan)	(278)	(659)
Lease repayment	(253)	(278)
Net cash flows used in financing activities	(751)	(1,274)
Net increase in cash and cash equivalents	72	27
Cash and cash equivalents at beginning of financial year	(317)	(313)
Cash and cash equivalents at end of the period	(245)	(286)
Cash and cash equivalents include the following for the purpose of the cash flow statement	9	2
Bank overdrafts	(254)	(288)
Total cash and cash equivalents	(245)	(286)

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

Notes to the Consolidated Financial Statements

General information

The following consolidated interim financial statements for Just Life Group Limited (the 'Company') and its subsidiaries (collectively the 'Group') are for the six months ended 31 December 2020 and represent the half year result for the Group.

The Group operates business related to 'healthy living' and 'healthy homes' to offer New Zealanders better choices.

Just Life Group Limited is a limited liability company which is domiciled and incorporated in New Zealand and whose shares are publicly traded on the New Zealand Stock Exchange (NZX).

These consolidated interim financial statements have been approved for issue by the Board of Directors on 25th of February 2021.

Basis of preparation

Statement of compliance

The consolidated interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) as applicable for profit orientated entities. They comply with NZ IAS 34 Interim Financial Reporting and IAS 34 Interim Financial Reporting. The Interim Report does not include all the information normally included in the Annual Report. Accordingly, these Group consolidated interim financial statements should be read in conjunction with the Annual Report for the year ended 30 June 2020.

The accounting policies and methods of computation and presentation adopted in the consolidated interim financial statements are consistent with those described and applied in the Annual Report for the financial year ended 30 June 2020.

These consolidated interim financial statements are not audited.

Taxes on income in the interim periods are accrued for using the tax rate that would have been applicable to expected total annual profit or loss.

Statement of compliance (continued)

In June 2020, the contract work in progress of $434,000 (December 2019: $246,000) was classified as inventory and work in progress instead of contract work in progress. Similarly, in June 2020 the revenue in advance of $524,000 (December 2019: $465,000) was classified as accrued expenses instead of contract liabilities. In the interim report for the six months ended 31 December 2020, the contract work in progress has been classified separately from inventories, and the revenue in advance has been classified as contract liabilities. Accordingly, the comparatives in the consolidated statement of financial position have been restated below. There is no change in the total current assets, total assets, total current liabilities, total liabilities and net assets.

	30 June 2020 $000 A	Increase/ (Decrease) $000 B	30 June 2020 (Restated) $000 A + B	31 December 2019 $000 C	Increase/ (Decrease) $000 D	31 December 2019 (Restated) $000 C + D
Inventory and work in progress	3,132	(434)	2,698	2,713	(246)	2,467
Contract work in progress	-	434	434	-	246	246
	3,132	-	3,132	2,713	-	2,713
Trade and other payables	4,718	(524)	4,194	4,567	(465)	4,102
Contract liabilities	44	524	568	77	465	542
	4,762	-	4,762	4,644	-	4,644

Going concern

The consolidated interim financial statements have been prepared on a going concern basis. As at 31 December 2020 the Group had a working capital balance of $0.4 million (2019: $0.6 million). The directors have assessed the financial performance of the Group, including forecast cash flows, and are satisfied that the going concern assumption remains appropriate.

1. Operating segment performance

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 Board of Directors on the basis that it is this group which determines the allocation of resources to segments and assesses their performance.

The Group operates and sells products in New Zealand. It operates business related to 'healthy living' and 'healthy homes' to offer New Zealanders better choices. The five major brands have been allocated to the following segments:

Healthy Living – Just Water

Healthy Homes – Unovent, Solatube, Hometech, The Cylinder Guy

The Just Life Group Corporate segment includes the corporate overhead costs of the Group.

31 December 2020 (unaudited)	Note	Healthy Living	Healthy Homes	Just Life Group Corporate	Total Group
Over time		4,966	3,558	-	8,524
At a point in time		2,674	3,874	-	6,548
Revenue		**7,640**	**7,432**	**-**	**15,072**
Other income		47	70	-	117
Employee costs		(2,987)	(1,014)	(128)	(4,129)
Other trading expenses		(2,036)	(5,039)	(307)	(7,382)
Earnings before interest, tax, depreciation and amortisation		**2,665**	**1,449**	**(437)**	**3,677**
Depreciation		(570)	(34)	(69)	(673)
Amortisation of right-of-use assets		(102)	(172)	-	(274)
Amortisation of intangible assets		(193)	(64)	-	(257)
Profit before interest and tax		**1,800**	**1,179**	**(506)**	**2,473**
Interest expense		(47)	(22)	(166)	(235)
Profit/(loss) before income tax		**1,753**	**1,157**	**(672)**	**2,238**
Income tax expense		(473)	(312)	181	(604)
Profit/(loss) for the period		**1,280**	**843**	**(491)**	**1,634**
Total assets		14,608	4,674	13,871	33,153
Total liabilities		3,874	2,815	7,548	14,237

Notes to the Consolidated Financial Statements

1. Operating segment performance *(continued)*

31 December 2019 (unaudited)	Note	Healthy Living	Healthy Homes	Just Life Group Corporate	Total Group
Over time		6,063	5,939	-	12,002
At a point in time		2,471	2,092	-	4,563
Revenue		8,534	8,031	-	16,565
Other income		1	69	-	70
Employee costs		(3,038)	(1,425)	(295)	(4,758)
Other trading expenses		(2,502)	(5,652)	(92)	(8,246)
Earnings before interest, tax, depreciation and amortisation		**2,995**	**1,023**	**(387)**	**3,631**
Depreciation		(601)	(72)	(65)	(738)
Amortisation of right-of-use assets		(116)	(192)	-	(308)
Amortisation of intangible assets		(302)	(26)	55	(273)
Profit before interest and tax		**1,976**	**733**	**(397)**	**2,312**
Interest expense		(26)	(44)	(219)	(289)
Profit/(loss) before income tax		**1,950**	**689**	**(616)**	**2,023**
Income tax expense		(591)	(200)	174	(617)
Profit/(loss) for the period		**1,359**	**489**	**(442)**	**1,406**
Total assets		14,522	5,794	12,166	32,482
Total liabilities		2,889	3,757	9,322	15,968

Just Life Group Limited use several non-GAAP measures when discussing financial performance. These include EBITDA, EBIT and Working Capital and may be used internally by management to evaluate performance, analyse trends and allocate resources.

Non-GAAP financial measures should not be viewed in isolation nor considered as a substitute for measures reported in accordance with NZ IFRS.

2. Business combinations

Acquisitions in 2020

The Cylinder Guy Limited

The Group purchased the business of The Cylinder Guy on 1 October 2020. The ultimate purchase price will be determined on an earn-out based on a multiple of earnings. Using the actual results to date and forecast to the end of the financial year, management has estimated the consideration to be $2.1m. This is in line with the initial payment made.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of The Cylinder Guy as at the date of acquisition were:

	31 December Fair value recognised on acquisition (unaudited) $000
Assets	
Fixed Asset	9
	9
Liabilities	
	-
Total identifiable net assets at fair value	**9**
Provisional goodwill arising on acquisition	2,091
Purchase consideration transferred	**2,100**

The Group will finalise the provisional goodwill on the acquisition of The Cylinder Guy and the fair value assessment of the identifiable assets and liabilities following the conclusion of the earn-out period.

3. Interest-bearing liabilities

	Group as at 31 December 2020 (unaudited) $000	Group as at 31 December 2019 (unaudited) $000
Current	-	700
Non-current	7,350	8,900
Total	7,350	9,600

The net bank facility drawn as at 31 December 2020 was $7.6 million, and the undrawn bank facility was $4.6 million. On 9 November 2020 the Group updated its $11.2 million banking facility with a new repayment date of 29 December 2023. The Group also has a $1 million overdraft facility.

4. Trade and other receivables

Trade and other receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost, using the effective interest method, less provision for impairment. Collectability of trade receivables is reviewed on an ongoing basis.

Trade receivables which are known to be uncollectable are written off. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the movement in the provision is recognised in other expenses of the consolidated statement of comprehensive income.

	Group as at 31 December 2020 (unaudited) $000	Group as at 31 December 2019 (unaudited) $000
Trade receivables	2,941	3,604
Doubtful debts provision	(206)	(301)
Other receivables	237	106
Net trade receivables	**2,972**	**3,409**
Prepayments	534	574
Total trade and other receivables	**3,506**	**3,983**
Movement in the provisions for doubtful trade receivables is as follows:		
Balance at the beginning of the year	444	76
Expected specific and ECL recognised	(162)	524
Receivables written off during the year as uncollectable	(75)	(299)
Balance at end of period	**207**	**301**

5. Financial instruments

Management determines the classification of the Group's liabilities at initial recognition. At initial recognition, the Group measures a financial liability at its fair value. After initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

The Group measures all financial liabilities at amortised cost in the periods covered by these financial statements. Financial liabilities measured at amortised costs are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. Trade and other payables, employee benefits, related party loans and borrowings are classified as financial liabilities measured at amortised cost.

Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

5.1 Fair value of financial assets and liabilities

The Group's financial assets and liabilities by category are summarised as follows:

Cash and short-term deposits

These are short-term in nature and their carrying value is equivalent to their fair value.

Trade, related party and other receivables

These assets are short-term in nature and are reviewed for impairment; the carrying value approximates their fair value.

Trade, related party and other payables

These liabilities are mainly short-term in nature with their carrying value approximating their fair value.

Related party loans

Fair value is estimated based on current market interest rates available for receivables of similar maturity and risk. The interest rate is used to discount future cash flows.

Borrowings

Borrowings have fixed and floating interest rates. Fair value is estimated using the discounted cash flow model based on current market interest rates for similar products; their carrying value approximates their fair value.

5. Financial instruments *(continued)*

Fair values

The Group's financial instruments that are measured subsequent to initial recognition at fair value are grouped into levels based on the degree to which the fair value is observable:

Level 1 – fair value measurements derived from quoted prices in active markets for identical assets.

Level 2 – fair value measurements derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – fair value measurements derived from valuation techniques that include inputs for the asset or liability which are not based on observable market data.

There have been no transfers between levels or changes in the valuation methods used to determine the fair value of the Group's financial instruments during the period.

5.2 Financial assets measured at amortised cost

Financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance date, which are classified as non-current assets. Financial assets include cash and cash equivalents and receivables in the balance sheet.

Financial assets are carried at amortised cost using the effective interest method.

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

Prepayments and GST receivables do not meet the definition of a financial asset and have been excluded from the table below.

	Group as at 31 December 2020 (unaudited) $000	Group as at 31 December 2019 (unaudited) $000
Financial assets measured at amortised cost		
Cash and cash equivalent	9	2
Trade receivables and other receivables	2,278	3,404
Total financial assets measured at amortised cost	**2,287**	**3,406**

Notes to the Consolidated Financial Statements

5.3 Financial assets measured at amortised cost

	31 December 2020 (unaudited) $000	31 December 2019 (unaudited) $000
Financial liabilities measured at amortised cost		
Trade and other payables	2,939	3,889
Bank overdraft	254	288
Bank borrowings and other loans	7,350	9,600
Total financial liabilities measured at amortised cost	**10,543**	**13,777**

Trade and other payables per the table above is derived by taking trade and other payables as per the balance sheet, less GST and employee entitlements.

6. Dividends

During the period, the Group paid the final dividend relating to the 2020 financial year of $1.07m (2019: $1.93m).

7. Related party transactions

The Group's ultimate parent is the The Harvard Group Limited, which owns or has voting entitlements for 80.63% of the Company's shares. The remaining 19.37% is widely held. The Group's ultimate controlling parties are Tony Falkenstein and Ian Malcolm.

The Harvard Group Limited participated in the divided reinvestment plan during the half year and were issued 929,173 shares valued at $696,879.28 on 18 September 2020.

Pure SEO Limited, a company of which Tony Falkenstein and Ian Malcolm are directors and indirect shareholders, provided internet search engine optimisation services to the Group during the half year to the value of $31,800 (2019: $5,250). At 31 December 2020 the Group had no balances payable or receivable in respect of this related party.

Advisory Works Limited, a company of which Ian Malcolm is a director and shareholder, provided consulting services to the Group during the half year to the value of $17,493 (2019: $12,000). At 31 December 2020 the Group had no balances payable or receivable in respect of this related party.

7. Related party transactions *(continued)*

The Group provided services to the Jennian & Milestone group of companies, of which Richard Carver is a director and shareholder, during the half year to the value of $319 (2019: $135). At 31 December 2020 the Group had no balances payable or receivable in respect of this related party.

Dialhog Limited, a company of which Ian Malcolm is a shareholder, provided services to the Group during the half year to the value of $25,561 (2019: $30,921). As at 31 December 2020 the Group had a trade payable balance of $4,393 (2019: $6,014).

Compensation of key management personnel of the Group

	31 December 2020 (unaudited) $000	31 December 2019 (unaudited) $000
Short-term employee benefits	436	360
Directors fees	77	72
Long-term benefits	11	5
Total compensation paid to key management personnel of the Group	**524**	**437**

These related party balances are materially consistent with those disclosed in the 2020 Annual Report.

8. Commitments

The Group has capital commitments of $40,344 (2019: $121,264).

There were no contingent liabilities for the Group at 31 December 2020.

9. Subsequent events

Dividend
Subsequent to 31 December 2020, the Board of Directors resolved to pay a fully imputed interim dividend of 1.0 cents per share payable to shareholders recorded on the share register as at 12 March 2021. The dividend will be paid on 19 March 2021.

No other events subsequent to 31 December 2020 materially impacted the results reported here.

Independent Auditor's Review Report

To the shareholders of Just Life Group Limited

Report on the consolidated interim financial statements

Our conclusion

We have reviewed the consolidated interim financial statements of Just Life Group Limited (the Company) and its subsidiaries (the Group) on pages 8 to 21, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period ended on that date, and significant accounting policies and other explanatory information.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2020, and its financial performance and cash flows for the period then ended, in accordance with International Accounting Standard 34 Interim Financial Reporting (IAS 34) and New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting (NZ IAS 34).

Basis for conclusion

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity (NZ SRE 2410 (Revised)). Our responsibilities are further described in the Auditor's responsibilities for the review of the financial statements section of our report.

We are independent of the Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. In addition to our role as auditor, our firm carries out other services for the Group in the areas of tax compliance services. The provision of these other services has not impaired our independence.

Directors responsibility for the financial statements

The Directors of the Group are responsible on behalf of the Company for the preparation and fair presentation of these consolidated interim financial statements in accordance with IAS 34 and NZ IAS 34 and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial statements

Our responsibility is to express a conclusion on the consolidated interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated interim financial statements, taken as a whole, are not prepared in all material respects, in accordance with IAS 34 and NZ IAS 34. A review of consolidated interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

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Independent Auditor's Review Report

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these consolidated interim financial statements.

Who we report to

This report is made solely to the Company's Shareholders, as a body. Our review work has been undertaken so that we might state to the Company's Shareholders those matters which we are required to state to them in our review 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 Shareholders, as a body, for our review procedures, for this report, or for the conclusion we have formed.

The engagement partner on the review resulting in this independent auditor's review report is Leopino Foliaki.

For and on behalf of:

PricewaterhouseCoopers

Chartered Accountants Auckland
25 February 2021

Corporate Information

Directors

Tony Falkenstein
Chief Executive Officer

Ian Malcolm
Non-executive Director

Richard Carver
Independent Director

Jing Jing Luo
Independent Director
(Resigned:
20 November 2020)

Phil Norman
Chair and
Independent Director
(Appointed: 5 August 2020)

Executive Management

Tony Falkenstein
Chief Executive Officer

Eldon Roberts
Chief Operating Officer and
Chief Financial Officer

Lynne Jacobs
Group General Manager

Future Directors Programme

Karla Mangos

Registered office and address for service

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Penrose
Auckland 1642
New Zealand

Solicitors

Harmos Horton Lusk

Jackson Russell

Bankers

Bank of New Zealand

Auditors

PricewaterhouseCoopers

Share register

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Just Life Group on the web

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