

21 November 2018

Company Announcements Platform
ASX Limited
20 Bridge Street
Sydney NSW 2000

ASX ANNOUNCEMENT

For Immediate release to the market

Allensford Pty Ltd (ACN 629 924 901) in its capacity as trustee for the Allensford Unit Trust – unconditional on-market takeover offer for The Reject Shop Limited (ACN 006 122 676) at \$2.70 cash per share

Bell Potter Securities Limited (**Bell Potter**) will, on behalf of Allensford Pty Ltd (ACN 629 924 901) in its capacity as trustee for the Allensford Unit Trust (**Bidder**), offer to acquire on-market all fully paid ordinary shares in The Reject Shop Limited (ACN 006 122 676) (**TRS**) which are listed for quotation on the official list of the Australian Securities Exchange (**ASX**) that exist or will exist at any time during the Offer Period (as defined below) and are not already owned by the Bidder (or its associates) (**TRS Shares**) for \$2.70 cash per TRS Share (**Offer Price**).

Bell Potter (on behalf of the Bidder) will buy TRS Shares on-market from the date and time of this announcement (before the Offer is open) until close of trading on ASX on 7 January 2019 (unless the Offer is withdrawn or extended in accordance with the Corporations Act 2001 (Cth) (Corporations Act)), at the Offer Price up to a maximum of 28,121,560 TRS Shares (being all of the TRS Shares not already owned by the Bidder and its associates) plus any additional TRS Shares which are issued during the relevant period.

Terms of the Offer

The Offer is an on-market bid and therefore unconditional with payment of cash in consideration. The key features of the Offer are:

- it is an on-market, unconditional cash offer of \$2.70 cash per TRS Share:
- Bell Potter will purchase TRS Shares offered to it on market from today, at the Offer Price until the conclusion of the Offer Period (defined below); and
- the Offer Period may be extended and the Offer Price may be increased in accordance with the Corporations Act.

Broker

The Bidder has appointed Bell Potter as its agent for the purchase of the TRS Shares on-market.

Offer Period

Bell Potter will stand in the market on behalf of the Bidder and accept TRS Shares offered to it at the Offer Price. The Offer will officially be made during the period commencing on 6 December 2018 (being the first trading day after the end of the 14 days after the date of this announcement) and ending on 7 January 2019 (**Offer Period**), unless extended or withdrawn under the Corporations Act, however, Bell Potter will buy TRS Shares from the date and time of this announcement (before the Offer opens).

The Bidder reserves the right to withdraw unaccepted Offers in the limited circumstances permitted by, and in accordance with, Part 6.7 of the Corporations Act, at any time before the end of the period in which the Offer remains open for acceptance.

Acceptance

As the Offer will be an on-market offer, accepting shareholders may only accept the Offer on-market through brokers which are members of the ASX. All TRS Shares to be purchased by the Bidder under the Offer will be purchased on-market only during Trading Days.

Variation of the Offer

The Bidder may vary the Offer Period in accordance with the Corporations Act. The Offer may also be varied at law by the operation of the Corporations Act.

Payment of consideration for TRS Shares

The usual rules for settlement of transactions which occur on-market with ASX will apply in respect of acceptance of the Offer and purchase of TRS Shares. This means that if a holder of TRS Shares accepts the Offer, they will receive the \$2.70 cash consideration for each TRS Share on a T+2 basis (being the second trading day after the date of the transaction) in accordance with the ASX Settlement Operating Rules.

Any brokerage charged by the brokers acting for TRS shareholders selling their TRS Shares will be the sole responsibility of those TRS shareholders.

Bidder's Statement

In accordance with section 635 of the Corporations Act, a bidder's statement will be served on TRS and lodged with each of the ASX and the Australian Securities and Investments Commission today. A copy of the bidder's statement will also be sent to TRS shareholders before commencement of the Offer Period.

TRS Shares

The TRS Shares the subject of the Offer are fully paid ordinary shares in the capital of TRS, which are on issue on the date of the bidder's statement and any other TRS Shares that are issued before the end of the Offer Period.

Immediately before making this announcement:

- so far as the Bidder is aware, there are 28,908,148 TRS Shares on issue, all of which are quoted on ASX;
- the Bidder has a relevant interest in 786,588 TRS Shares, which represents approximately 2.72% of the current issued share capital of TRS; and
- the Bidder, through its associates, has voting power in approximately 2.72% of the current issued share capital of TRS.

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