



**The Reject Shop Limited**

ABN 33 006 122 676  
245 Racecourse Road  
Kensington, Victoria, 3031  
Australia

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[www.rejectshop.com.au](http://www.rejectshop.com.au)

The Manager  
Market Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

15 January 2019

Dear Sir / Madam

**The Reject Shop Limited (ASX: TRS) – Takeover bid by Allensford Pty Ltd as trustee for the Allensford Unit Trust – First Supplementary Target's Statement**

We refer to the on-market takeover offer by Allensford Pty Ltd (ACN 629 924 901) as trustee for the Allensford Unit Trust (**Allensford**) under Chapter 6 of the Corporations Act 2001 (Cth) (**Corporations Act**) for all the shares in The Reject Shop Limited (ABN 33 006 122 676) (ASX:TRS) (**TRS**).

We attach, by way of service pursuant to section 647(3)(b) of the Corporations Act, a copy of the first supplementary target's statement of TRS in response to the Allensford offer.

The supplementary target's statement will be lodged with the Australian Securities and Investments Commission and sent to Allensford today.

Yours sincerely

A handwritten signature in dark ink, appearing to read "D Briggs", with a stylized flourish at the end.

Darren Briggs  
Chief Financial Officer and Company Secretary

# The Reject Shop First Supplementary Target's Statement

## The Reject Shop Limited

ABN 33 006 122 676

## First Supplementary Target's Statement

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This document is a supplementary target's statement under section 644 of the Corporations Act 2001 (Cth). It is the first supplementary target's statement (**First Supplementary Target's Statement**) issued by The Reject Shop Limited ABN 33 006 122 676 (**The Reject Shop**) in relation to the on-market takeover bid for all the ordinary shares in The Reject Shop by Allensford Pty Ltd (ACN 629 924 901) in its capacity as trustee for the Allensford Unit Trust (**Allensford**). This First Supplementary Target's Statement supplements, and should be read together with, The Reject Shop's target's statement dated 3 December 2018 (**Original Target's Statement**).

### 1 ASX announcement: First half FY2019 trading update

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The Reject Shop made an announcement on 14 January 2019 titled 'First Half FY2019 Trading Update – Reconfirm Recommendation to Reject Allensford's Offer' (**Announcement**). A copy of the Announcement is attached to, and forms part of, this First Supplementary Target's Statement.

### 2 Your Directors continue to recommend you REJECT the offer and DO NOTHING

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Your Directors continue to unanimously recommend that you REJECT Allensford's offer to acquire your ordinary shares in The Reject Shop (**Offer**) and DO NOTHING because the Offer continues to undervalue your shares.

The reasons for your Directors' recommendation are set out in section 1 of the Original Target's Statement.

To REJECT the Revised Offer, simply DO NOTHING.

### 3 Timetable and process

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On 14 January 2019 Allensford announced an extension of the offer period, which is now scheduled to close at the end of ASX trading (approximately 4.00pm Melbourne time) on 6 February 2019 (unless further extended or withdrawn).

The Reject Shop's shareholders who have any questions in relation to the takeover bid should call The Reject Shop shareholder information line on +61 3 9371 5555 (between 9.00am and 5.00pm (Melbourne time) Monday to Friday).

## 4 Other notices

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Unless the context otherwise requires, terms defined in the Original Target's Statement have the same meaning as in this First Supplementary Target's Statement.

This First Supplementary Target's Statement prevails to the extent of any inconsistency with the Target's Statement.

A copy of this First Supplementary Target's Statement has been lodged with ASIC. Neither ASIC nor any of its officers take any responsibility for its contents.

Signed for and on behalf of The Reject Shop Limited following a resolution of the directors of The Reject Shop Limited.

*sign here ►*



**Director**

*print name* William J Stevens

*date ►* 15 January 2019

## Attachment 1

ASX announcement: First half FY2019 trading update –  
Reconfirm recommendation to reject Allensford's offer

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14 January 2019

ASX/Media Announcement

**FIRST HALF FY2019 TRADING UPDATE  
RECONFIRM RECOMMENDATION TO REJECT ALLENSFORD'S OFFER**

The Reject Shop Limited (**The Reject Shop**) is pleased to provide the following trading update for the first half of FY2019.

Based on preliminary unaudited results, The Reject Shop expects net profit after tax for the six months to 31 December 2018 to be approximately \$10.5 million.

The Reject Shop's Chairman, Bill Stevens, noted that the result is "consistent with the guidance provided in the trading update issued by The Reject Shop on 17 October 2018; and re-affirmed in the Company's target's statement dated 3 December 2018 in response to the on-market takeover offer by Allensford Pty Ltd as trustee for the Allensford Unit Trust. Notwithstanding the ongoing challenges of a very competitive retail environment, our team members responded in presenting a November and December store offering that was well supported by our customers."

Further details of the first half of FY2019 performance will be provided when The Reject Shop formally releases its half year results in accordance with the scheduled timetable on 20 February 2019. The financial information included in this release is still subject to review by The Reject Shop's auditor.

Mr Stevens further commented: "Today's announcement is issued in the context of the takeover offer from Allensford, which is currently due to close on 22 January 2019. Allensford's replacement bidder's statement dated 3 December 2018, together with its second supplementary bidder's statement dated 20 December 2018, contained a number of speculative comments in respect of The Reject Shop's trading performance over the first half of FY2019 that have been shown to be unfounded. Amid a backdrop of highs and lows over the past few years, your Board continues to believe in the long-term growth prospects of The Reject Shop's business, which has remained profitable despite the extremely challenging and fluctuating retail environment."

Accordingly, the Board re-affirms its previous recommendation that shareholders **REJECT** Allensford's offer by **DOING NOTHING** in relation to that offer.

Consistent with usual practice, The Reject Shop intends to provide further commentary on the full year outlook on 20 February 2019, and notes that it typically generates a higher proportion of full-year sales in the first half and has often traded at a loss in the second half.



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The Reject Shop shareholders who have questions about the Allensford offer can call The Reject Shop information line on +61 3 9371 5555.

The Reject Shop will keep its shareholders fully informed of further developments.

**Contacts**

**The Reject Shop Limited**

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