

16 March 2020

Market Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

## Business Update

The Reject Shop Limited (**TRS**) provides a business update as eligible shareholders consider the Entitlement Offer Booklet in relation to the fully underwritten 1 for 3.12 traditional non-renounceable pro rata entitlement offer announced on 27 February 2020 and due to the increased interest in the performance of businesses in the context of the impact of coronavirus (COVID-19).

In the last three weeks, TRS has experienced a material increase in sales driven by customer concerns around coronavirus. Comparable sales for the first eleven weeks of the second half of FY20 now sit at +5.7%.

To contextualise that result, TRS makes the following comments.

- a) As announced on 27 February 2020, comparable sales for the first eight weeks of the second half of FY20 were +2.3%.
- b) Comparable sales for the three week period between 24 February to 15 March 2020 were +15.1%. This was driven by strong category performances in cleaning, groceries, toiletries and pet care.

TRS recognises the uncertain duration of the elevated sales activity pertaining to coronavirus and cautions against assuming that these elevated sales will continue through to the end of FY20.

TRS confirms that stock is starting to be received from the company's China-based suppliers.

The Chief Executive Officer of TRS, Mr Andre Reich, stated while a significant portion of the sales growth over the last three weeks has been driven by customer concerns around coronavirus, he is pleased with the underlying comparable sales trajectory as well as the initial customer response to the improved product range.

### Questions

If eligible TRS shareholders have any questions in respect of the equity raising, please call the TRS Offer Information Line on 1300 365 969 (local call cost from within Australia) or +61 1300 365 969 (from outside Australia) between 8:30am and 5:30pm (Melbourne time) Monday to Friday. Alternatively, consult your stockbroker, accountant or other independent professional adviser.



**The Reject Shop Limited**

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

Ph: (03) 9371 5555

Fax: (03) 9372 1211

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

For the purposes of ASX Listing Rule 15.5, TRS confirms that this document has been authorised for release to the market by the board.

**Michael Freier**

Company Secretary  
The Reject Shop Limited

Telephone: +61 3 9371 5555

[investorrelations@rejectshop.com.au](mailto:investorrelations@rejectshop.com.au)