



The Reject Shop Limited

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25 March 2020

Market Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Successful Completion of \$25 million Pro-Rata Entitlement Offer

Key Highlights

- The Reject Shop received valid applications under the Entitlement Offer of approximately \$9.5 million, with participation from major shareholders Allensford Pty Ltd and Grahger Retail Securities Pty Ltd, Chief Executive Officer, Mr Andre Reich and shareholding directors (or the associates of the aforementioned parties)
- The shortfall of approximately \$15.6 million or 62.2% of the Entitlement Offer will be taken up by sub-underwriters appointed by the Underwriter

Offer

On 27 February 2020, The Reject Shop Limited (ASX:TRS) ("**The Reject Shop**" or the "**Company**") announced a 1 for 3.12 traditional non-renounceable pro-rata entitlement offer for fully paid ordinary shares in The Reject Shop ("**New Shares**") at an offer price of \$2.70 to raise approximately \$25.0 million ("**Entitlement Offer**"). The Entitlement Offer closed at 5.00pm (AEDT) on 23 March 2020.

The Entitlement Offer was fully underwritten by Ord Minnett Limited ("**Underwriter**").

The Reject Shop received valid applications from existing shareholders under the Entitlement Offer for approximately 3.5 million New Shares (approximately \$9.5 million) of the approximately 9.3 million New Shares offered to eligible shareholders (with final numbers remaining subject to reconciliation).

A number of quality domestic institutional investors entered into priority sub-underwriting arrangements with the Underwriter and will be allocated approximately 5.8 million New Shares (approximately \$15.6 million), representing 62.2% of the total amount sought to be raised under the Entitlement Offer (with final numbers remaining subject to reconciliation).

Settlement of the Entitlement Offer is scheduled to take place on 26 March 2020, with the issue and allotment of the New Shares to occur the following day, and ASX trading of the New Shares expected to commence on a normal settlement basis on 30 March 2020 (having already commenced trading on a deferred settlement basis on 24 March 2020). All New Shares rank equally with existing ordinary shares in the Company.



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Comments from the Chief Executive Officer

The Reject Shop's Chief Executive Office, Mr Andre Reich, commented: "The Reject Shop is extremely pleased to have completed the equity raising, and to have received the support of its existing major shareholders, as well as having reintroduced a number of quality domestic institutional funds to the Company's share register in the course of the process. The equity raised will enable management to now focus on executing our operational objectives, including a range of strategic initiatives and efficiency opportunities."

"We are also buoyed by the strong recent sales performance of The Reject Shop and the increasing number of Australians who are benefiting from the savings by shopping at The Reject Shop. Building on our strategy to leverage our buying power, promote national brands at everyday low prices and implement a number of supply chain efficiencies, we are committed to further improving and optimising the customer experience for all Australians."

ENDS

For the purposes of ASX Listing Rule 15.5. The Reject Shop confirms that this document has been authorised for release to the market by the Board.

For further information, please contact:

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