

ASX Code: FAN

30 March 2016

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Dear Sir/Madam,

APPOINTMENT OF DEBRA SINGH AS GROUP CHIEF EXECUTIVE OFFICER (CEO) RETAIL

The Board of Fantastic Holdings Ltd (ASX: FAN, 'Fantastic Holdings', or 'the Company') is pleased to announce the appointment of Ms Debra Singh as Group CEO Retail, effective 30 March 2016.

Ms Singh has been the driving force behind the growth of the Fantastic Furniture retail brand since her appointment as CEO Fantastic Furniture in August 2014. Prior to this, Ms Singh as Chief Operating Officer had oversight of Fantastic Holdings' other retail brands: Plush, Original Mattress Factory, Le Cornu and Dare Gallery.

Ms Singh will continue to lead Fantastic Furniture, as her leadership team takes over day to day management of this business, and in addition she will assume responsibility for Plush, Original Mattress Factory and Le Cornu. Ms Singh will also be responsible, as Group CEO Retail, for seeking and assessing further retail growth opportunities.

Ms Singh has over 30 years of extensive experience in retail operations, organisational design, human resources and change management. Most recently, before assuming the role of CEO Fantastic Furniture, Ms Singh held various senior leadership roles with Woolworths.

The Board looks forward to working with Ms Singh to continue to implement and optimise the Company's retail strategies.

A summary of the terms of Ms Singh's employment agreement is appended to this release.

Yours faithfully,

Julian Tertini
Chair
Fantastic Holdings Ltd

About Fantastic Holdings

Fantastic Holdings Limited (ASX: FAN) is a leading Australian furniture retailer and manufacturer. FAN operates over 125 stores across four furniture retail chains including, national retailers Fantastic Furniture, Plush, Le Cornu (South Australia and the Northern Territory) and the Original Mattress Factory (NSW and ACT). FAN is also Australia's largest sofa manufacturer, has one of the country's leading mattress manufacturers and operates a national supply chain to service all FAN's retail brands. FAN has recently expanded its manufacturing activities into China and Vietnam.

we grow by making a positive difference.

Summary Key Terms of Engagement – Ms Debra Singh

1. Commencement Date

Fantastic Holdings will employ Ms Debra Singh as the Group CEO Retail effective 30 March 2016

2. Term

Ms Singh will be appointed on an on-going term subject to termination by either party by giving three months' notice

3. Remuneration

a) Fixed Remuneration

Ms Singh will be entitled to a fixed annual salary is \$650,000 (inclusive of superannuation and allowances) per annum.

b) Short Term Incentive (STI)

Ms Singh will be entitled to a potential short-term incentive of 50% of her fixed annual salary in FY16 subject to the achievement of key financial and non-financial performance hurdles.

Ms Singh will participate in a new Short Term Incentive plan in FY17 and her performance will be assessed against performance targets and priorities set by the Board.

c) Long Term Incentive (LTI)

In 2014, Ms Singh was granted an LTI entitlement with a value at the date of grant of \$450,000. The entitlement, if hurdles are met, will be satisfied with the Company's shares. The number of shares is determined by reference to the market value of the shares at the time of grant. The LTI entitlement will vest after 3 years (30 June 2016), if EPS (70% weighting) and ROE (30% weighting) performance hurdles are met.

The Board expects that a new LTI Plan, in which Ms Singh will participate, will be implemented from July 2016 with the key features to be determined by the Board.

4. Restrictive Covenant

Ms Singh will be restrained for up to twelve months after termination of her employment from being engaged in competition with the Company.