

ASX ANNOUNCEMENT



ASX/Media Release

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The Reject Shop Appoints Ross Sudano New CEO

Discount Variety retailer, The Reject Shop, today announced the appointment of highly experienced retail executive, Mr Ross Sudano as Chief Executive Officer.

His appointment follows the departure of Mr Chris Bryce in June 2014, after leading a significant growth phase of the business. Mr Sudano is expected to commence duties on 11 September 2014.

Mr Sudano joins The Reject Shop after a 20 year career in retail with a range of companies, including: Little World Beverages, Anaconda Adventure Stores, Foodland Associated Limited, Coles and BP Australia.

Commenting, Chairman of The Reject Shop, Mr Bill Stevens, said: "Mr Sudano is an accomplished retailer bringing deep and broad expertise in running all aspects of retail enterprises. These include merchandise buying, supply chain management, product distribution, store operations, and marketing.

"Ross is a proven leader with an impressive track record for achieving strong revenue and profit growth in the retail sector and a reputation for bringing deep insights into the needs and demands of consumers. His focus on driving high performance in a low-cost environment is a great fit with The Reject Shop.

"He brings significant experience in the strategic development of retail businesses through sound leadership and the development of high performing teams.

"His experience working in the listed Company environment, as well as his prior tenure as a Chief Executive Officer were important attributes sought by the Board," Mr Stevens said.

Most recently Mr Sudano was CEO of ASX-listed Little World Beverages and led its successful sale to the international brewer, Lion. During his four year tenure at Little World Beverages, he delivered impressive growth in both revenue and earnings while building a solid leadership team, successfully introducing adjoining brands, and implementing new merchandising systems. Prior to being CEO, he was Chief Operating Officer of Little World Beverages for two years.

Also commenting, Mr Sudano said: "I am delighted to be joining a business with a strong brand and a national platform for growth. I am excited by the opportunities that I see to optimise and leverage off the significant recent expansion of The Reject Shop's stores.

“I have great confidence in the discount variety sector and the long term growth prospects of Australia’s retail industry,” he said.

Prior to his leadership roles at Little World Beverages, Mr Sudano was Joint Chief Executive Officer of Anaconda Adventure Stores (a subsidiary of Spotlight Retail Group), where he led the Company’s rapid growth through a deep understanding of customer’s needs and the ability to develop products to meet them.

Mr Sudano also held senior management roles at Foodland Associated Limited (now IGA Distribution), including General Manager Group Buying & Marketing, and General Manager Franchising and Supply.

The key terms of Mr Sudano’s contract include:

- Fixed remuneration \$650,000
- STI based on a combination of individual performance targets and EBIT performance with a targeted entitlement of 30 per cent of TFR.
- LTI in the form of performance rights, valued up to 30 per cent of TFR based on earnings hurdles over a three year period consistent with the plan details set out in the annual report.
- Termination provisions: a six month notice period for termination by either the Company or the executive applies.

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