

9 December 2011

Super Retail Group Limited  
ABN 81 108 676 204  
751 Gympie Road Lawnton QLD 4501, Australia  
T: + 61 7 3482 7500 F: + 61 7 3205 8522  
Postal: PO Box 344 Strathpine QLD 4500  
www.superretailgroup.com

Dear Shareholder

**Company General Meeting – 9 January 2012**

On behalf of the Directors of Super Retail Group Limited (“Company”), I am pleased to invite you to a General Meeting of the Company to be held on 9 January 2012. Attached is the Notice of General Meeting setting out the business of the General Meeting.

The General Meeting will be held on **9 January 2012 commencing at 10.00am (Brisbane time) at Brisbane International Virginia, Cocos Room, Corner Sandgate & Zillmere Roads, Boondall**. If you decide to attend the General Meeting, please bring this letter with you to facilitate registration and entry to the General Meeting. If you are unable to attend the General Meeting in person, I encourage you to complete the enclosed proxy form and ensure it is lodged by 10.00am (Brisbane time) on 7 January 2012 for it to be valid. Further instructions on how to complete the proxy form are provided on the form itself.

The General Meeting has been called for the purpose of passing a special resolution to permit the newly acquired Rebel Group subsidiaries of the Company to give financial assistance in connection with the financing of the Rebel Group acquisition. As you may be aware, the Company recently completed a transaction to acquire a group of companies headed by Rebel Group Limited. Under the terms of the Company’s bank financing, these newly acquired subsidiaries are required to provide guarantees and security interests in favour of the banks. It is a legal requirement that a special resolution of the Company’s shareholders is passed prior to the subsidiaries providing the guarantees and security interests in favour of the banks.

Further details relating to the resolution to be proposed at the General Meeting are attached to this letter.

All the Directors of the Company recommend that members vote in favour of the resolution to be considered at the General Meeting.

I look forward to seeing you at the General Meeting.

Yours sincerely



**Robert Wright**  
Chairman

Enclosures:

- 1 Notice of General Meeting
- 2 Proxy form



# Super Retail Group Limited

ACN 108 676 204

## NOTICE OF GENERAL MEETING

**NOTICE IS GIVEN** that a General Meeting of Super Retail Group Limited ("*the Company*") will be held at Brisbane International Virginia, Cocos Room, Cnr Sandgate & Zillmere Roads, Boondall, Queensland on Monday, 9 January 2012 at 10.00 am.

### SPECIAL BUSINESS

#### Resolution 1 - Financial Assistance

To consider and, if thought fit, to pass the following resolution as a special resolution:

That,

1. for the purposes of section 260B(2) of the Corporations Act 2001 (Cwlth) ("**Corporations Act**") and all other purposes, approval is given for each subsidiary listed in Schedule 1 to the Explanatory Statement (each a "**Subsidiary**") to give financial assistance as described in the Explanatory Statement; and
2. each Subsidiary may enter into and give effect to the documents required to implement the financial assistance as described in the Explanatory Statement.

For further information, please refer to the Explanatory Statement made in accordance with section 260B(4) of the Corporations Act, which forms part of this Notice of General Meeting.

By Order of the Board



R W Dawkins  
Secretary

9 December 2011

#### Notes:

##### 1 Entitlement to attend and vote

In accordance with Regulation 7.11.37 of the Corporations Regulations and ASX Settlement Operating Rule 5.6.1, the Directors have determined that a shareholder's entitlement to vote at the General Meeting is as set out in the Company's share register as at 10.00am (Brisbane time) on 7 January 2012. Transactions registered after that time will be disregarded in determining the shareholders entitled to attend and vote at the General Meeting.

##### 2 Proxies

If you are unable to attend and vote at the meeting and wish to appoint a person or a body corporate as your proxy, please complete the enclosed proxy form. This form must be received by the Company by 10.00am (Brisbane time) on 7 January 2012. The completed proxy form may be lodged by post using the reply-paid envelope or delivery or facsimile to the Company's registered office at 751 Gympie Road, Lawnton, Queensland 4501, Facsimile (07) 3205 8467.

A member entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified number of the member's voting rights. If a body corporate is appointed as a proxy it may nominate an individual to exercise its powers at the meeting. A proxy need not be a member of the Company.

##### 3 Body corporate representative

Any corporation wishing to appoint a person to act as representative at the meeting may do so by providing that person with:

- a letter or certificate authorising the person to act as the corporation's representative in accordance with the corporation's constitution; or
- a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

**Super Retail Group Limited**  
**ABN 81 108 676 204**  
**(“Company”)**

## Explanatory Statement

This Explanatory Statement has been prepared in connection with a proposed resolution of the Company to approve the giving of financial assistance by each company listed in Schedule 1 (each a “**Subsidiary**”) within the meaning of section 260A of the Corporations Act 2001 (Cwlth) (“**Corporations Act**”) (“**Financial Assistance Resolution**”).

This Explanatory Statement (including the schedules) and the Notice of General Meeting (“**Notice**”) which it accompanies are important documents. Please read them carefully.

### **1 The Acquisition**

#### **1.1 Acquisition of Target**

On 31 October 2011, the Company acquired the entire issued share capital of Rebel Group Limited ACN 110 006 678 (“**Target**”) pursuant to a Share Sale Agreement dated 17 October 2011 (“**Acquisition**”).

The Target and each subsidiary listed in Schedule 1 to this Explanatory Statement (each a “**Subsidiary**”) will become subsidiaries of the Company, being a listed domestic corporation, immediately after the Acquisition.

#### **1.2 The Financing**

In connection with the Acquisition, the Company increased the size of its finance facility from \$190,000,000 to \$500,000,000 as set out in the Amended and Restated Facility Agreement dated 30 June 2010 as amended on or about 31 May 2011 and 16 October 2011 (“**Facility Agreement**”) between, among others, the Company, Commonwealth Bank of Australia ACN 123 123 124 (“**Agent**”), CBA Corporate Services (NSW) Pty Limited ACN 072 765 434 (“**Security Trustee**”) and the “Original Lenders” (as defined in the Facility Agreement). The Company will maintain its bilateral working capital facility arrangements of up to \$17,000,000 (the “**External Bilateral Facilities**”). Among the renegotiated terms of the Facility Agreement, the Company is required to ensure that a sufficient number of its subsidiaries become guarantors and security providers to the finance facility within 90 days of the financial close of the Acquisition, which was on 31 October 2011.

It is proposed that the Subsidiaries will enter into one or more finance documents as described in Schedule 2 of this Explanatory Statement, including without limitation:

- (a) accession letters to the Facility Agreement (which will include the Subsidiaries becoming guarantors of the facilities contained in the Facility Agreement as well as guarantors of the External Working Capital Facilities);
- (b) accession letters to the Security Trust Deed dated 30 June 2010 (“**Security Trust Deed**”) between, among others, the Company and the Security Trustee; and

- (c) fixed and floating charges and mortgages to be granted by each Subsidiary over all or substantially all of their assets.

The facilities provided under the Facility Agreement and the External Working Capital Facilities may be drawn, among other purposes, to fund the Acquisition and any costs in connection with the Acquisition, and to refinance or replace the facilities made available to the Target under its existing financing arrangements and for general working capital purposes of the Company and its subsidiaries (“**Financing**”).

The Acquisition and the Financing together is referred to as the “**Transaction**”.

### **1.3 Providing guarantees and security interests**

As a condition of the Financing, each Subsidiary will provide a guarantee and indemnity and security documents under the terms of the Facility Agreement in favour of the “Finance Parties” and the “External Working Capital Lenders” (as such terms are defined in the Facility Agreement) for any amounts owed under the Facility Agreement and the “Finance Documents” (as defined in the Facility Agreement and which includes the External Working Capital Facilities). A “Finance Party” includes the Security Trustee, the Agent, a lender under the Facility Agreement and a hedge counterparty, and a “Finance Document” includes the Facility Agreement, the Security Trust Deed, a fee letter, a security document, a hedging document and the External Working Capital Facilities.

### **1.4 The effect of non-compliance**

The Subsidiaries’ obligation to provide a guarantee and indemnity and security as described above and otherwise comply with the obligations of obligors under the Facility Agreement amounts to “financial assistance” in relation to the acquisition of the Target’s shares. The Company and Subsidiaries are required to comply with the requirements of the Corporations Act in relation to the giving of “financial assistance”.

It is an “Event of Default” under the Facility Agreement and the External Working Capital Facilities if the Company fails to comply with the obligation to ensure each of the Subsidiaries provide guarantees and security interests and accede to the Facility Agreement and Security Trust Deed, and such an event may trigger (i) the cancellation of the facilities provided under the Facility Agreement and the External Working Capital Facilities and (ii) the demand for immediate repayment of any amounts outstanding under the Facility Agreement and the External Working Capital Facilities, although more likely would lead to a renegotiation of the terms of the Facility Agreement and the External Working Capital Facilities.

## **2 Background to the requirement for the Financial Assistance Resolution**

### **2.1 Restrictions on companies giving “financial assistance”**

Pursuant to section 260A(1) of the Corporations Act, a company may financially assist a person to acquire shares (or units of shares) in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
  - (i) the interests of the company or its shareholders; or
  - (ii) the company’s ability to pay its creditors; or

- (b) the assistance is approved by shareholders under section 260B of the Corporations Act; or
- (c) the assistance is exempted under section 260C of the Corporations Act.

The requirements for shareholder approval under section 260B of the Corporations Act are described in section 2.2 below.

## **2.2 Shareholder approval of “financial assistance”**

Under section 260B(1) of the Corporations Act, for a company to financially assist a person to acquire shares (or units of shares) in itself or its holding company, the financial assistance must be approved by:

- (a) a special resolution passed at a general meeting of the company, with no votes being cast in favour of the resolution by the person acquiring the shares (or units of shares) or by their associates; or
- (b) a resolution agreed to, at a general meeting, by all ordinary shareholders.

Since the Subsidiaries will be a subsidiary of a listed domestic corporation immediately after the acquisition, the “financial assistance” must also be approved by a special resolution passed at a general meeting of the listed corporation, in this case the Company, under section 260B(2) of the Corporations Act.

## **2.3 Shareholder approval**

The purpose of this Explanatory Statement is to explain in further detail the proposed Financial Assistance Resolution set out in the Notice which must be passed under section 260B(2) of the Corporations Act to enable each Subsidiary to provide the “financial assistance” in connection with the Acquisition.

## **3 Effect of the proposed “financial assistance”**

The provision of guarantees and indemnities under the Facility Agreement, the grant of security and the execution of one or more of the Documents, may involve the provision of “financial assistance” by the Subsidiaries in connection with the Acquisition, including without limitation, by way of the following:

- (a) (*joint and several liability*) each Subsidiary will assume a joint and several liability with the borrower and other guarantors under the Facility Agreement for amounts owing in connection with the Finance Documents (as defined in the Facility Agreement);
- (b) (*guarantee and indemnities*) the “Finance Parties” and the “External Working Capital Lenders” (as defined in the Facility Agreement) may be entitled to claim by way of guarantee and indemnities provided by each Subsidiary, in whole or in part, any amounts owed under the Facility Agreement, the External Working Capital Facilities or other Finance Documents (as defined in the Facility Agreement);
- (c) (*enforcement of security*) the Security Trustee may be entitled to enforce the security granted by each Subsidiary and apply the proceeds of enforcement towards repayment of the amounts owed under the Facility Agreement, the External Working Capital Facilities or other Finance Documents (as defined in the Facility Agreement);

- (d) (*representation and warranties and undertakings*) each Subsidiary will provide certain representations, warranties and undertakings, and have certain restrictions imposed on the ability to (among other things):
  - (i) grant further security over its assets or dispose of assets;
  - (ii) make distributions to its shareholders; and
  - (iii) borrow money in the future or to incur further financial indebtedness;
- (e) (*event of default*) each Subsidiary will be subject to certain events of default under the Facility Agreement, the External Working Capital Facilities or other Finance Documents (as defined in the Facility Agreement); and
- (f) (*other support*) each Subsidiary may be required to make available directly or indirectly its cash flows (whether through dividends, capital distributions, intercompany loans or otherwise) or other resources in order to enable the borrower and other guarantors under the Facility Agreement to comply with their payment and other obligations under the Facility Agreement, the External Working Capital Facilities or other Finance Documents (as defined in the Facility Agreement).

#### **4 Reasons for giving “financial assistance”**

The main reasons for the giving of the “financial assistance” described above in connection with the Acquisition are:

- (a) it benefits each Subsidiary to assist its holding company to raise money in order to later provide its subsidiaries, including each Subsidiary, with finance on better terms than would be available to each Subsidiary on a stand-alone basis;
- (b) it is a requirement of the Financing that each Subsidiary accede and provide the guarantee and indemnity and security documents within 90 days of 31 October 2011. If they do not in the time specified in the Facility Agreement, this will be an event of default; and
- (c) it is a reasonable and necessary part of obtaining finance on the most favourable terms available at the time of the Acquisition. Obtaining a facility of this nature without the requirement would have been difficult.

#### **5 Financial Assistance Resolution**

To summarise, it is proposed that the giving by each Subsidiary of the financial assistance in connection with the Acquisition be approved by the shareholders of the Company passing the Financial Assistance Resolution pursuant to section 260B(2) of the Corporations Act. The Financial Assistance Resolution is set out in the Notice accompanying this Explanatory Statement.

Shareholders of the Company may vote for or against the Financial Assistance Resolution. The Financial Assistance Resolution will be passed if at least 75% of the votes cast by shareholders entitled to vote on the resolution vote in favour of the Financial Assistance Resolution.

**6 Prior notice to Australian Securities & Investments Commission**

As required by section 260B(5) of the Corporations Act, copies of the Notice and this Explanatory Statement as sent to the shareholders were lodged with the Australian Securities & Investments Commission before their dispatch to the shareholders.

**7 Disclosure**

The Directors of the Company consider that the Notice and this Explanatory Statement contain all information known to the Company that would be material to the shareholders in deciding how to vote on the proposed resolution other than information which it would be unreasonable to require the Company to include because it has been previously disclosed to the shareholders of the Company.

**8 Solvency**

As at the date of the Notice and this Explanatory Statement, the Directors are of the opinion that there are reasonable grounds to expect that if the Subsidiaries give the financial assistance, the Subsidiaries will continue to be able to pay all their debts as they become due, and remain solvent.

**9 Directors' recommendation**

Based on information available at this time, the Directors of the Company believe that the Transaction is not materially prejudicial to the interests of each Subsidiary or its shareholders, or the ability of each Subsidiary to pay its creditors.

However, the Directors consider it prudent and consistent with good business practice to seek shareholders approval.

The Directors of the Company have unanimously approved the Explanatory Statement and recommend shareholders approval as set out in the Notice.

## Schedule 1 - Subsidiaries

Rebel Group Limited ACN 110 006 678

Coyote Retail Pty Limited ACN 115 285 080

Coyote Retail Investments Pty Ltd ACN 115 285 099

A-Mart All Sports Pty Limited ACN 009 955 462

Foghorn Holdings Pty Limited ACN 122 558 874

Rebel Sport Limited ACN 003 283 823

Rebel Management Services Pty Ltd ACN 065 538 276

Rebel Wholesale Pty Limited ACN 069 488 928

Rebelsport.com Pty Limited ACN 089 838 344

Quinns Rock Pty Limited ACN 059 760 271

## Schedule 2 - Documents

Any and all agreements, deeds, instruments, notices, consents, forms and other documents for the purpose of, in connection with, ancillary or incidental to or in any way related to the Acquisition as referred to in this Explanatory Statement, including, without limitation, any of the documents listed below:

- (a) the Amended and Restated Facility Agreement dated 30 June 2010 as amended on or about 31 May 2011 and 16 October 2011 ("**Facility Agreement**") between, among others, Super Retail Group Limited ("**Super Retail**"), Commonwealth Bank of Australia ACN 123 123 124 ("**Agent**"), CBA Corporate Services (NSW) Pty Limited ACN 072 765 434 ("**Security Trustee**") and the "Original Lenders" (as defined in the Facility Agreement);
- (b) the Security Trust Deed dated 30 June 2010 ("**Security Trust Deed**") between, among others, Super Retail and the Security Trustee;
- (c) any intercreditor deed or agreement referred to in or related to the Facility Agreement;
- (d) any security, mortgage or charge including, without limitation, any fixed and floating charges or feather-weight charges or share mortgages over any or all of the assets or property of the Subsidiaries in favour of the Security Trustee;
- (e) any accession documents to the Facility Agreement, any External Working Capital Facility Agreement and any other "Finance Document" (as defined in the Facility Agreement);
- (f) any subsequent document for the purposes of replacing, varying or refinancing all or any part of the facilities on the same or different terms to the Facility Agreement;
- (g) any new guarantees or security to be given as a result of the restructure, replacement, variation and/or refinancing of all or any part of the facilities under the Facility Agreement;
- (h) any other document defined or designated as a "Finance Document" under or pursuant to the Facility Agreement or Security Trust Deed;
- (i) any other document which is substantially the same in form and substance to any of the above documents but has a different title or description or different parties;
- (j) any document referred to in, defined and scheduled in or appended to any of the above documents;
- (k) any document required or requested in respect of stamp duty payable on any of the above documents;
- (l) any ASIC or land title forms required for the registration of any document listed or referred to above;
- (m) any consolidation deeds or other documents and ASIC Forms to notify variations in the terms of any existing security for the purposes of section 268 of the Corporations Act; and
- (n) any other document, instrument, deed, agreement, certificate, notice, direction or communication, whether or not of the same kind as those listed above, which is necessary, desirable or expedient for giving effect to any of the provisions of any of the above documents or to any of the transactions contemplated by any of the above documents.

# SUPER RETAIL GROUP LIMITED

ACN 108 676 204

**All Proxy communications to:**  
Super Retail Group Limited  
751 Gympie Road Lawnton  
Queensland 4501  
Facsimile (07) 3205 8467  
ASX Code: SUL

## APPOINTMENT OF PROXY

If you propose to attend and vote at the General Meeting, please bring this form with you. This will assist in registering your attendance.

Email: [investorrelations@superretailgroup.com](mailto:investorrelations@superretailgroup.com)  
Website: [www.superretailgroup.com](http://www.superretailgroup.com)

### STEP 1

### APPOINTMENT OF PROXY

I/We being a member(s) of Super Retail Group Limited are entitled to attend and vote hereby appoint

the Chairman  
of the meeting  
(mark box with an X)

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered Security holder) you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following instructions (or if no directions have been given, as the proxy sees fit, subject to any voting exclusion) at the General Meeting of the Company to be held at **10.00am (QLD time) on Monday, 9 January 2012** and at any adjournment of that meeting. Proxies will only be valid and accepted by the Company if they are signed and received in the Company's office no later than 48 hours before the meeting.

### STEP 2

### VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote on the resolution please mark

in the appropriate box below

#### SPECIAL BUSINESS

For Against Abstain\*

#### Item 1

Approval of Financial Assistance

  

\*If you mark the Abstain box, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### STEP 3

### SIGNATURE OF SECURITY HOLDERS – THIS MUST BE COMPLETED

Individual or Security holder 1

Sole Director and Sole Company Secretary

Joint Security holder 2 (Individual)

Director/Company Secretary (delete one)

Joint Security holder 3 (Individual)

Director

This form should be signed by the security holder. If a joint holding, all of the security holders should sign. If signed by the security holder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the security holder's constitution and the *Corporations Act 2001* (Cwlth).

Refer to the reverse for instructions on completing this form.

## How to complete this Proxy Form

### 1. Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Security holders sponsored by a broker should advise their broker of any changes. **Please note you cannot change ownership of your securities using this form.**

### 2. Appointment of Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the Company.

### 3. Votes on Item of Business

You may direct your proxy how to vote by placing a mark in one of the boxes. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on by inserting the percentage or number of securities you wish to vote in the appropriate box. If you do not mark any box, your proxy may vote as he or she chooses (subject to any voting exclusion). If you mark more than one box on an item your vote will be invalid.

### 4. Appointment of a Second Proxy

You may appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, you will need an additional form and may copy this form for this purpose. To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together in the same envelope.

### 5. Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, **all** of the security holders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary, indicating the office held by signing in the appropriate place.

### 6. Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting being **10.00am (QLD time) Saturday, 7 January 2012**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

#### Documents may be lodged using the reply paid envelope or:

by delivery to the Registered Office of Super Retail Group Limited being 751 Gympie Road, Lawnton, Queensland 4501 Australia or by facsimile (07) 3205 8467.

### 7. Personal Information

Super Retail Group Limited advises that Chapter 2C of the Corporations Act 2001 requires information about you as a security holder (including your name and address and details of the securities you hold) to be included on the public register of the entity in which you hold securities. Information is collected to administer your security holding and if some or all of the information is not collected then it might not be possible to administer your security holding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting Link Market Services Limited on 1800 170 502 or 02 8280 7323. Our privacy policy is available on our website ([www.superretailgroup.com](http://www.superretailgroup.com)).