

ASX Announcement

9 February 2018

Appointment of Chief Executive Officer & Managing Director

Specialty Fashion Group Limited (ASX: SFH) (SFG or the Group) today announced the appointment of Daniel Bracken as Chief Executive Officer and Managing Director of the company, effective 12 February 2018. Mr Bracken succeeds Gary Perlstein, who has been in the role since 2003, and announced his intention to retire in November 2017.

Mr Bracken, 49, brings more than 25 years experience in retailing, fashion, and brand development in Australia and international markets. He has held executive and Chief Executive roles across strategy, marketing, and merchandise among others. Most recently he was Deputy CEO and Chief Merchandise & Customer Officer at Myer where he oversaw merchandise buying, design, sourcing, and manufacturing, and led the Myer brand and customer experience strategy.

Prior to joining Myer, Mr Bracken was CEO of The Apparel Group which owned the Sportscraft, Saba, Willow, and Jag fashion brands during his tenure. His international experience includes more than 15 years at Burberry London in the United Kingdom where he performed a range of roles including Vice President – Strategy (Group), Head of Merchandising & Production (Ready to Wear), and Commercial & Operations Director (Menswear).

SFG's Chairman, Ms Anne McDonald, said the Board's search criteria had included strong senior credentials in fashion merchandising, supply chain, a deep understanding of customer experiences and staff engagement, the drivers of brand loyalty in a digital world, and experience in building and leading customer led cultures.

"Following a comprehensive search process the Board is delighted that Daniel has agreed to lead the next phase of the company's development including leadership of the ongoing structural review to improve shareholder value announced at the AGM.

"Daniel brings passion, energy and deep experience developing successful apparel brands, reinvigorating merchandising strategies, and leading the transformation of retail businesses facing structural, cyclical, and competitive challenges," Ms McDonald said.

Commenting on his appointment, Mr Bracken said, "I'm looking forward to working with the SFG team to continue the transformation of the Group and to ensure that everything we do from service and advice, to the products we range, to the in-store and online experience exceeds our customers' expectations.

"SFG has a range of customers in the lifestyle as well as mature and plus-sized segments of the apparel market that fashion too often overlooks. I am energised by the opportunity to harness the power clothing has to influence how you feel about yourself and accelerate the work underway to achieve the company's aspirational purpose - to change the perception of fashion," said Mr Bracken.

Mr Bracken will be based in Sydney. A summary of the material terms of the employment agreement is included as an Appendix to this announcement.

Further information:

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Appendix

Summary of material terms of Daniel Bracken's employment agreement as CEO of Specialty Fashion Group Limited

Commencement date	February 12, 2018
Term	No fixed term. Ongoing until terminated by either party in accordance with the employment agreement
Total Fixed Remuneration (TFR):	Base salary of \$850 000 per annum including superannuation (on a pro-rata basis for FY18)
Short term incentive (STI):	Discretionary payment of 50% of base salary excluding superannuation or any allowances at Boards discretion (on a pro-rata for FY18)
Long term incentive (LTI):	Not applicable for FY18 From FY19, performance rights equivalent to 70% of base salary, granted at the Board's discretion
Change of control	No additional payment
Notice period / Termination of employment:	6 Months
Post employment restraint:	6 Months