

ASX Announcement

14 April 2023

CEO APPOINTMENT

Leading value apparel specialty retailer Best & Less Group Holdings Limited (ASX:BST) (**BLG** or **the Company**) today announces the appointment of Erica Berchtold as Chief Executive Officer, effective 4 September 2023.

Erica is a highly regarded senior retail leader with over 20 years' industry experience and a strong track record of growing brands.

She joins BLG from THE ICONIC, Australia's largest online-only fashion and lifestyle retailer, where she has been CEO since 2019 and has grown the business to over \$700 million in net annual revenues.

Prior to THE ICONIC, Erica was Managing Director of Super Retail Group's Rebel sporting goods division, which has 155 stores across Australia and New Zealand, where under her leadership revenues grew significantly to nearly \$1 billion over seven years. Previously, she worked for Specialty Fashion Group as General Manager for Crossroads and Autograph, two women's fashion apparel brands with more than 200 stores across Australia.

A customer-focused and data-driven retailer, Erica brings deep experience across the retail value chain, from merchandising through to retail operations and digital and online development and execution. Her customer-first approach has consistently led to dramatic improvements in customer satisfaction and strong growth in revenues and profits.

Erica has received industry recognition throughout her career, including #3 in the Top 50 People in e-Commerce awards for 2023, being nominated for the NSW Women of the Year Awards and InStyle Women of Style Businesswoman of the Year Award, and was named Michael Page Retail Executive of the Year in 2016.

She is a Council Member of the Australian Retailers Association, a graduate of the Australian Institute of Company Directors and former President of the Australian Sporting Goods Association.

Best & Less Executive Chair, Jason Murray said, "After an extensive global search, I am delighted to announce Erica Berchtold as the next CEO of Best & Less Group. Erica's strong retail experience and track record of delivering profitable growth in a variety of retail markets, alongside her proven leadership skills, makes her the ideal candidate to lead the business through its next phase of growth.

"The Board has been extremely impressed by Erica's passion for our customer and category, and her value creation mindset. We look forward to working closely

with Erica and BLG's senior leadership team to deliver our strategy to extend our market position in the value retail apparel segment."

Erica Berchtold said, "I am looking forward to joining Best & Less Group at such an exciting time in the company's growth journey. The team has done a fantastic job to build strong foundations for future growth, and I am excited by the challenge of executing the next phase of our growth strategy. BLG's brands are synonymous with quality and value and having a close affinity with mum and her family. As a mother of three young children myself I can personally attest to that and I look forward to deepening that relationship further to move us closer to our goal of being the number one choice for mums."

Erica will join BLG on 4 September 2023 after serving out her notice period. Jason Murray will remain as Executive Chair until Erica joins, before returning to his role as Non-Executive Chair.

ENDS

This announcement was authorised for release by the Board of Directors of Best & Less Group Holdings Limited.

For further information:

Ryan Thompson

+61 423 151 378

investor@bestandlessgroup.com.au

About Best & Less Group:

Best & Less Group (BLG) is a leading value apparel specialty retailer with an omnichannel sales network comprising 248 physical stores and an online platform. BLG's aim is to be the number one choice for mums and families buying baby and kids' value apparel in Australia and New Zealand through its two trusted brands: Best & Less (in Australia) and Postie (in New Zealand).

For more information, visit BLG's investor site at www.bestandlessgroup.com.au

Appendix A

Erica Berchtold biography

Erica Berchtold started her career in technology sales and distribution, before beginning her retail career with Harvey Norman as a Product Manager in 2000.

In 2003, Erica moved to then-Gerry Harvey-owned Rebel Sport as Head of Merchandise and Marketing, leading a repositioning of the business ahead of its sale to private equity in 2007.

Erica joined Specialty Fashion Group in 2008 to lead the Crossroads and Autograph women's fashion apparel brands, growing the brands' store network to more than 200 stores.

In 2011, Erica returned to Rebel Sport, now owned by Super Retail Group, as Managing Director. Over seven years in the role, she returned the business to growth, oversaw the merger of Rebel Sport and Amart Sports and delivered strong growth in revenues and profits.

Erica joined THE ICONIC in 2019 as CEO, attracted by the opportunity to work at a pure play e-commerce operation and Australia's largest online-only fashion and lifestyle retailer. In four years as CEO, Erica delivered significant profitable growth and strategic evolution, including diversifying the marketplace beyond apparel, overseeing strong growth and operational resilience through the COVID-19 period.

Erica is a Council Member of the Australian Retailers Association, a graduate of the Australian Institute of Company Directors and former President of the Australian Sporting Goods Association. She was previously a director of A-League clubs Sydney FC and Western Sydney Wanderers FC.

Appendix B

Summary of the key terms of the agreement between Best & Less Group Holdings Limited and Erica Berchtold for the role of Group Chief Executive Officer

	Employment agreement key terms
Position	Group Chief Executive Officer of Best & Less Group Holdings Ltd.
Commencement and terms	Ms Berchtold's employment will commence on 4 September 2023. She will be appointed for an ongoing term subject to termination by either party (see below).
Remuneration	Ms Berchtold's remuneration mix will be comprised of fixed remuneration and variable remuneration (both short incentive and long term incentive), as set out below.
Fixed remuneration	<p>\$816,903 per annum which includes:</p> <ul style="list-style-type: none"> An amount paid to Ms Berchtold's superannuation fund that at least satisfies the Minimum SGC Contribution, which is currently \$25,292. Other non-cash benefits elected by Ms Berchtold.
Sign-on incentive loan	Ms Berchtold will be provided with a \$180,000 sign-on incentive loan within 30 days of commencement. This sign-on incentive loan is repayable to the Company and will be deducted from any Short-term incentive payable (as set out below).
Short-term incentive (50% of Fixed Annual Remuneration)	<p>\$408,451 (Maximum Award) per annum.</p> <ul style="list-style-type: none"> An invitation to participate in a STI Plan may be offered annually. Maximum Award available is subject to the term served and successful achievement of the Award Conditions outlined in any Invitation Letter. Any deemed Award Payable will be tested against the balance of the sign-on incentive loan. Any amount payable will be first applied against the repayment of the loan. Once the loan has been fully repaid, any residual balance of the Award Payable will be remitted to Ms Berchtold.
Long-term incentive (75% of Fixed Annual Remuneration)	<p>\$612,677 (Maximum per annum Grant)</p> <ul style="list-style-type: none"> An invitation to participate in a LTI Plan may be offered annually.

Annual Remuneration)	<ul style="list-style-type: none"> Maximum Vesting of the Grant is subject to the term served and successful achievement of the Vesting / Award Conditions outlined in any Invitation Letter and the terms and conditions contained within the Plan Rules.
Clawback policy	The Board and the People & Remuneration Committee reserves the right to cancel or clawback all or part of the LTI awards previously determined as owing to Ms Berchtold in certain circumstances, including (but not limited to) where she has engaged in serious misconduct.
Termination	The Agreement may be terminated by either party with the provision of six (6) months' written notice. Ms Berchtold's employment may be terminated immediately by the Company in circumstances such as a breach of her contract or serious misconduct.
Restrictive covenant	Ms Berchtold is subject to non-compete and non-solicitation post-employment restraints which apply for a maximum of 12 months after the cessation of her employment with the Company, and which apply in Australia and New Zealand.