



5 June 2023

ASX Announcement

UPDATE - OFF-MARKET TAKEOVER BID BY BBRC ADMIN 1 PTY LTD

Best & Less Group Holdings Limited (ASX:BST) (**BLG** or the **Company**) refers to the cash off-market takeover offer for all of the shares in BLG¹ for \$1.89 per share (**Offer Price**) made by BBRC Admin 1 Pty Ltd ACN 667 625 452 (the **Bidder**), an entity owned by Brett Blundy and Ray Itaoui (the **Offer**). Details of the Offer are set out in the takeover booklet dated 22 May 2023 (the **Takeover Booklet**) issued by the Bidder and BLG.

Offer now unconditional

BLG notes that the Bidder has today given notice that the Offer is wholly unconditional, following the waiver or fulfilment of each of the conditions. Formal notices under the relevant provisions of the Corporations Act were provided by the Bidder to the Company and ASX earlier today.

Acceptance by major shareholders

BLG has been advised that its major shareholders Allegro Fund III LP and Allegro Services III D Pty Ltd (**Allegro**) and Bignor Family Pty Ltd as trustee for the Murray Family Trust, an entity associated with Jason Murray (**Bignor**), have today accepted the Offer in respect of all of the BLG Shares that they own or control, being approximately 40.70% of the BLG Shares on issue.

As a result, BLG understands that the Bidder, together with entities associated with the Bidder, now has voting power in approximately 57.15% of the BLG Shares on issue.

Changes to BLG Board of Directors

As foreshadowed in the Target's Statement contained in the Takeover Booklet, Jason Murray and Fay Bou, being the BLG directors associated with Bignor and Allegro respectively, have today resigned as directors of BLG. Jason Murray has also resigned from his role as Executive Chair of BLG, effective today.

The BLG Board of Directors has today appointed Ray Itaoui as a director of BLG and Executive Chair with immediate effect. Ray Itaoui will assume the responsibilities

¹ Other than those that BBRC International Pte. Ltd. as trustee for the BB Family International Trust or its associates already have a relevant interest in, being approximately 16.45% of the BLG Shares on issue as at the date of the Offer (being 22 May 2023).

of CEO for a transitional period until Erica Berchtold joins BLG as Chief Executive Officer, expected to be in September 2023.

A summary of the material terms of Ray Itaoui's employment agreement with BLG for his role as Executive Chair and director of BLG are set out in the attachment to this announcement.

Ray Itaoui has considerable retail experience. For over 20 years, he has operated and invested in Australian and global retail businesses including Sanity, Bras N Things, Honey Birdette, Mr Vitamins, MakeUp Cartel and Universal Store. He also served as the Chairman of Sanity, Bras N Things, Honey Birdette, Mr Vitamins and as an independent non-executive director of ASX-listed Aventus Group.

Offer still open for acceptance

BLG notes that the Offer remains open for acceptance by BLG shareholders until **7.00pm (Sydney time) on 22 June 2023** (unless extended or withdrawn by the Bidder in accordance with the Corporations Act).

BLG shareholders may accept the offer online at <https://events.miraqle.com/BestAndLess-TakeoverOffer> or by using the Acceptance Form sent with the Takeover Booklet.

BLG shareholders who accept the Offer will be paid the Offer Price per accepted share by the Bidder within 7 days of their acceptance now that the Offer is unconditional.

Further information

If a BLG Shareholder has any questions in relation to the Offer, please contact the BLG Shareholder Information Line on 1800 426 150 (within Australia) or +61 1800 426 150 (from outside Australia). Further information relating to the Offer can be obtained from the Takeover Booklet and BLG's website at <https://bestandlessgroup.com.au/investor-centre/>.

ENDS

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

For further information:

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About Best & Less Group:

Best & Less Group (BLG) is a leading value apparel specialty retailer with an omnichannel sales network comprising 249 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 <https://bestandlessgroup.com.au/investor-centre/>



Summary of key terms of agreement between Best & Less Group Holdings Limited and Mr Ray Itaoui for the role of director and Executive Chair

In accordance with ASX Listing Rule 3.16.4, BLG makes the following disclosures in respect of the material terms of employment between BLG and Ray Itaoui in relation to his role as Executive Chair which becomes effective immediately, and as director of BLG.

	Employment Agreement Key Terms
Position	Executive Chair
Commencement and Terms	Commencement 5 June 2023. The role is expected to continue until BLG's new Chief Executive Officer commences their employment.
Roles and responsibilities	Ray Itaoui is to assume the day-to-day executive responsibilities of an executive chairman of the Company in his role as Executive Chair.
Remuneration	Ray Itaoui's fixed remuneration as Executive Chair will be \$111,005 (inclusive of base salary and superannuation). During Ray's employment in the role of Executive Chair, his fixed remuneration package is paid instead of (not in addition to) his remuneration as director. No variable incentives are paid to the Executive Chair.
Cessation of Executive Chair role	As noted above, Ray Itaoui's appointment to the role of Executive Chair is expected to continue until the date that BLG's new Chief Executive Officer, Erica Berchtold, commences her employment.



	Employment Agreement Key Terms
Position	Director
Commencement and Terms	<p>Commencement 5 June 2023. Ray Itaoui's appointment as a director will continue following the cessation of his employment in the role of Executive Chair.</p> <p>Ray Itaoui may resign from the office of director by written notice to BLG.</p> <p>Ray Itaoui will cease to be a director if any disqualifying events prescribed in the constitution or Corporations Act occur.</p> <p>Ray Itaoui's appointment is subject to re-election by shareholders at the third annual general meeting after which he was elected or last re-elected.</p>
Roles and responsibilities	Ray Itaoui is to perform all duties that would customarily be performed by a director of the Board.
Remuneration	<p>Ray Itaoui's remuneration (inclusive of all directors fees) will be \$111,005 per annum inclusive of superannuation.</p> <p>Ray Itaoui will not be paid additional remuneration in respect of his membership of any Board Committee, unless he is chair of that committee.</p>