



4 July 2023

Allegro exits investment in Best & Less Group

Allegro Funds (“Allegro”) announces that it has fully exited its investment in Best & Less Group (“BLG”).

On 5 June 2023, Allegro accepted the off market offer from BRRRC Admin 1 Pty Ltd (“BBRC”), an entity owned by Brett Blundy and Ray Itaoui, to acquire all outstanding shares in BLG for \$1.89 per share. Allegro had previously indicated that it would accept the offer, subject to there being no superior proposal. Allegro exited its remaining interest in BLG on 5 June 2023 following the fulfilment of the conditions of the off-market takeover.

BLG is a leading value apparel retailer comprising 248 stores and an online platform across its two trusted brands: Best & Less (in Australia) and Postie (in New Zealand).

Allegro acquired BLG in 2019 through its purchase of Greenlit Brands General Merchandise, a complex corporate carve-out of four retail brands from the Steinhoff Group. BLG was the fifth investment in Allegro Fund III.

Allegro partnered with Chairman Jason Murray and former CEO Rodney Orrock and the BLG leadership team to drive the transformation of the business. Allegro invested significantly into BLG’s omni-channel sales network to improve performance and support earnings growth which has led to a material increase in value and sustainability of the business. This focused turnaround led to a successful listing of the Group in July 2021.

Allegro’s exit from BLG marks the end of a rewarding journey. Allegro led and supported a value creation plan that has helped define Allegro’s ongoing Active Complex Transformation (ACT) approach, leaving BLG in a much stronger position to when it was acquired in 2019.