

# FINANCIAL REVIEW

Market Wrap - Street Talk

## **Brett Blundy's Lovisa initial public offering sparkles**

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Fast fashion jewellery retailer Lovisa closed its institutional bookbuild on Thursday afternoon, ahead of an ASX listing.

The initial public offering price had been set at \$2 a share, and it's understood there was strong demand from local and international fund managers.

Brett Blundy's Retail Capital will hold 41 per cent of Lovisa after it lists on December 18, while fellow co-founder and chief executive Shane Fallscheer will own 7.5 per cent.

There was also significant demand from Blundy's chairman list, which included one of the company's independent directors, Paul Cave, who is the founder and chairman of BridgeClimb Sydney.

The offer raised \$110 million and Lovisa will have a market value of \$210 million.

CIMB and Morgans managed the deal.

Elsewhere, ASX-listed Flexigroup will likely steer clear of a hotly contested auction for privately held equipment financier Alleasing, sources said.

Leasing and finance business Flexigroup has posted years of double-digit growth and the forecasts are for the same, but the "no interest ever" vendor financier copped a belting from shareholders and brokers after its annual general meeting. The shares slumped almost 12 per cent on Thursday.

Flexigroup was understood to be in the running for Alleasing, which CHAMP Private Equity is looking to offload after six years of ownership. Alleasing's receivables stand at \$375 million and it is expected to fetch up to \$300 million. Credit Suisse is running the sale.

Sources emphasised Flexigroup, run by Tarek Robbiati, was still open to M&A opportunities.