

city chic collective

LEADING A WORLD OF CURVES

MACQUARIE AUSTRALIA CONFERENCE

May 2021





CCX

'Serious Street Style'



city chic

'Fiercely Fashionable'



Hips & Curves
FOX&ROYAL
'Lustful Lingerie'

LEADING A
WORLD OF
CURVES:
OUR
BRANDS



EVANS

'Modern Fashionability'



cloudwalkers

'Just like walking on air'



avenue

'Everyday Essentials'

CUSTOMER-CENTRIC OPERATING MODEL

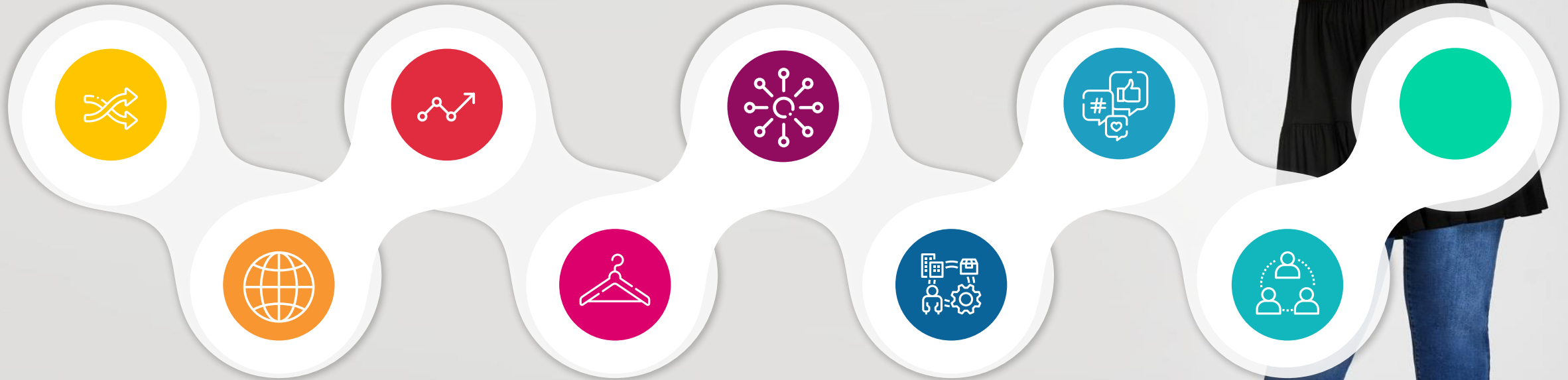
Nimble operating model; respond quickly to changes in demand

Highly engaged and growing customer base

Omni-channel strategy; multiple touchpoints

Strong engagement through social media and *World of Curves*

Own the customer, not the category

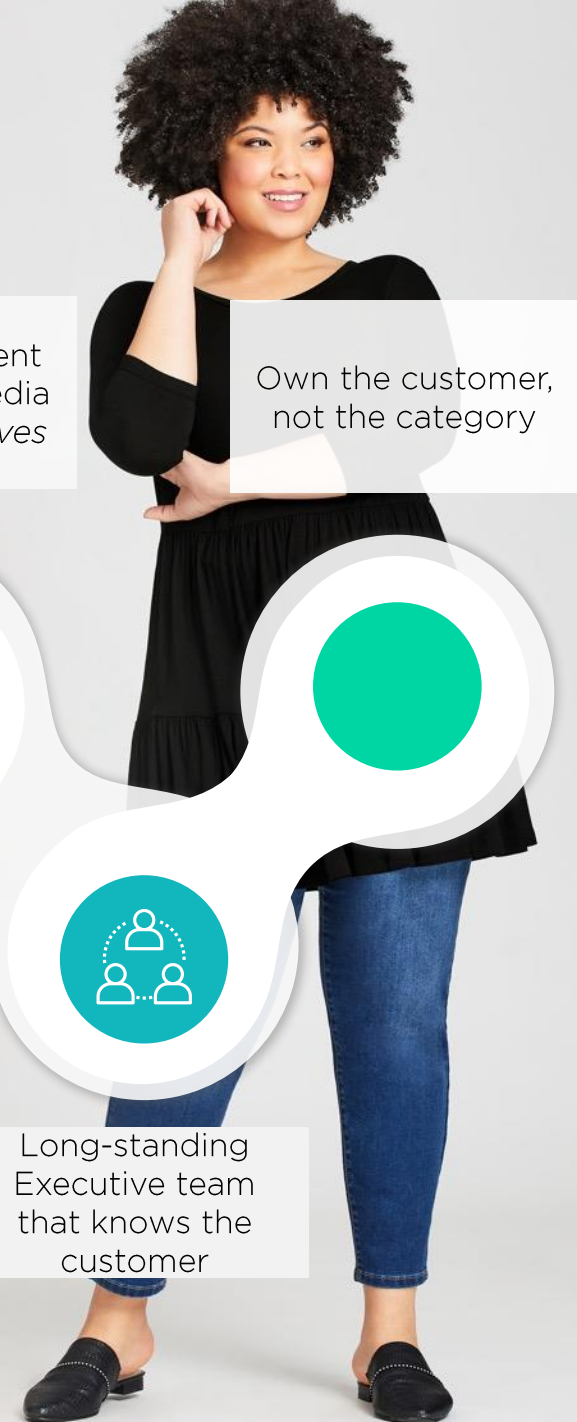


Geographically diverse operations

Broad product range

Customer-led supply chain

Long-standing Executive team that knows the customer



GLOBAL BUSINESS OVERVIEW

Established footprint in Australia, New Zealand and United States;
recently entered United Kingdom with acquisition of Evans

\$209m

Global Sales
(12 months to Dec 20)

73%

Online Penetration¹
(12 months to Dec 20)

801k

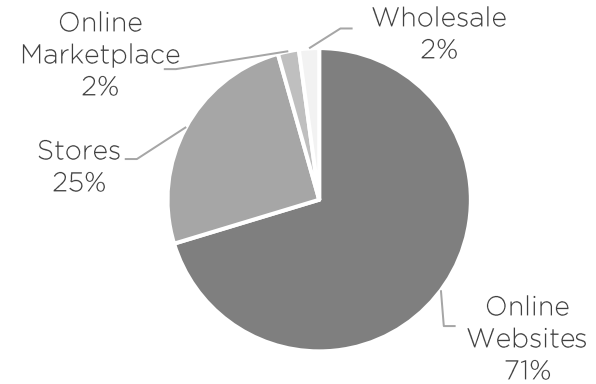
Active Customers²
(Dec 2020)

42m

Global Online Traffic³
(12 months to Dec 20)

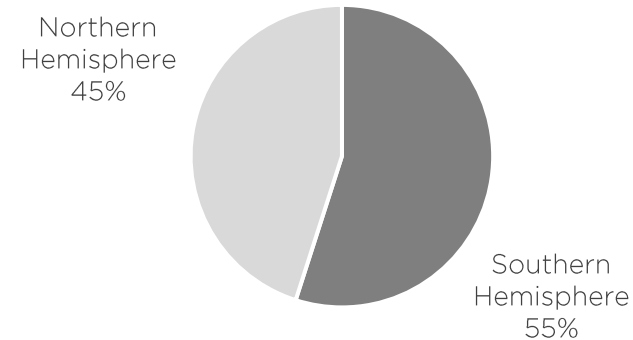
Note: All figures above and in charts exclude Evans given acquisition completed in Dec 2020

GLOBAL CHANNEL CONTRIBUTION⁴



Online penetration¹ has increased **from 36%** in FY18 **to 73%** in 12 months to Dec 2020

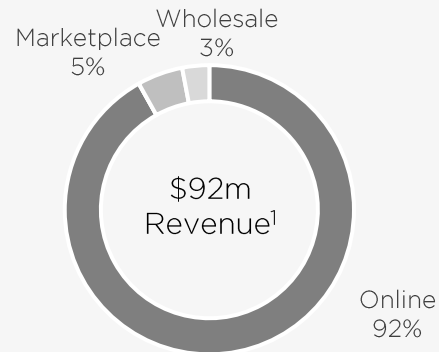
GLOBAL REGION CONTRIBUTION⁴



Northern Hemisphere contribution has increased **from 16%** of sales in FY18 **to 45%** in 12 months to Dec 2020

GLOBAL BUSINESS OVERVIEW

UNITED STATES OF AMERICA

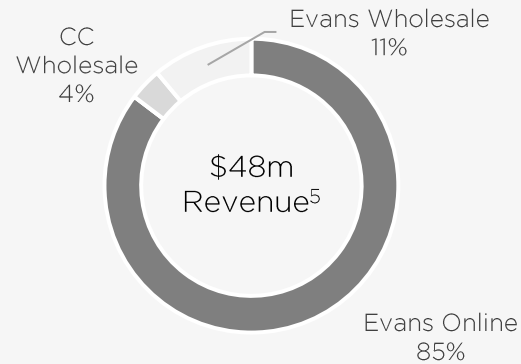


- 411k Active Customers²
- 26m Annual Traffic³
- A\$206 avg annual spend⁴

avenue city chic CCX
cloudwalkers *Hips & Curves*

USA fulfilment site in Dallas
 Office in New Jersey

UNITED KINGDOM (Pro-forma Evans⁵)



- 19m Evans Annual Traffic⁵

EVANS city chic
avenue CCX FOX&ROYAL

UK fulfilment site in Gateshead
 Office in London

AUSTRALIA & NEW ZEALAND



- 390k Active Customers²
- 16m Annual Traffic³
- A\$295 avg annual spend

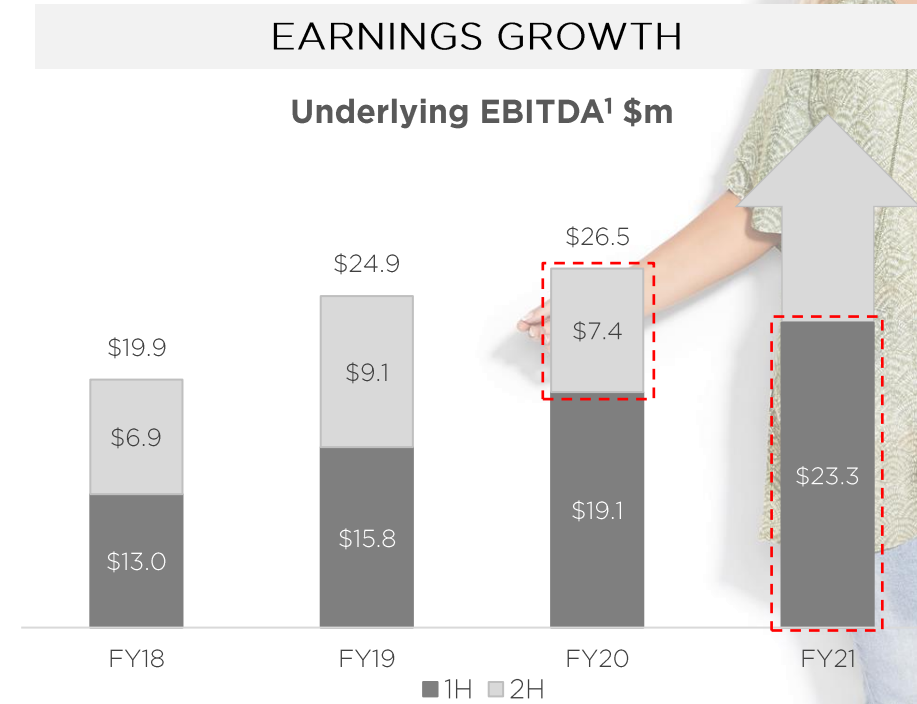
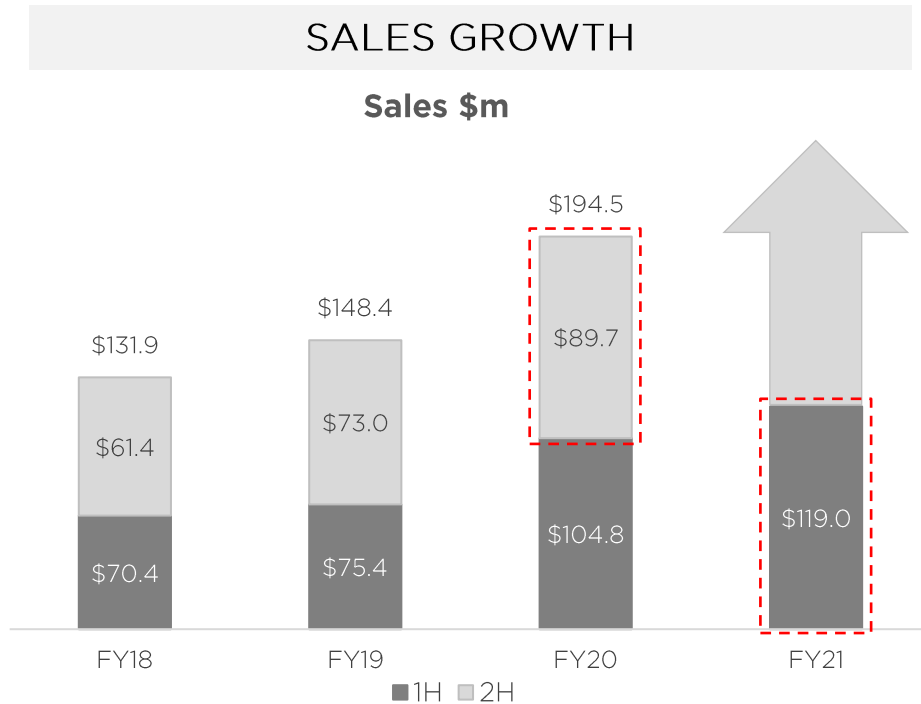
city chic CCX
 FOX&ROYAL

Head office in Sydney
 ANZ fulfilment site in Sydney
 96 stores at end of December

1. Based on 12 months to 27 December 2020; revenue in AUD
2. Active customers includes customers who have shopped in online, stores and omni-channel in the last 12 months; excludes wholesale and marketplace (at Dec 2020)
3. Traffic to our own websites in the 12 months to Dec 2020; excludes stores and partner marketplace websites
4. Average annual spend excludes wholesale and marketplace customers
5. Includes pro-forma Evans revenue (in AUD) and metrics based on FY20, which was the period prior to acquisition by the City Chic Collective (acquired 23 Dec 2020)

FINANCIAL PERFORMANCE

Track record of strong consistent sales and earnings growth



- Strong growth in topline sales driven by ANZ online and the expansion of the US digital business
- 1H FY21 revenue growth of 13.5%
 - USA growth of 38% driven by Avenue website
 - ANZ top-line growth was flat due to temporary and permanent store closures; comp growth was 19.4%

- Consistent YoY growth in earnings of above 20%, with the exception of 2H FY20 which was impacted heavily by COVID-19
- 1H FY21 Underlying EBITDA of \$23.3m represents YoY growth of 21.8% and 19.6% margin

Impacted by COVID-19: store closures in ANZ, significant drop in consumer demand for key categories, pause to wholesale and marketplace business

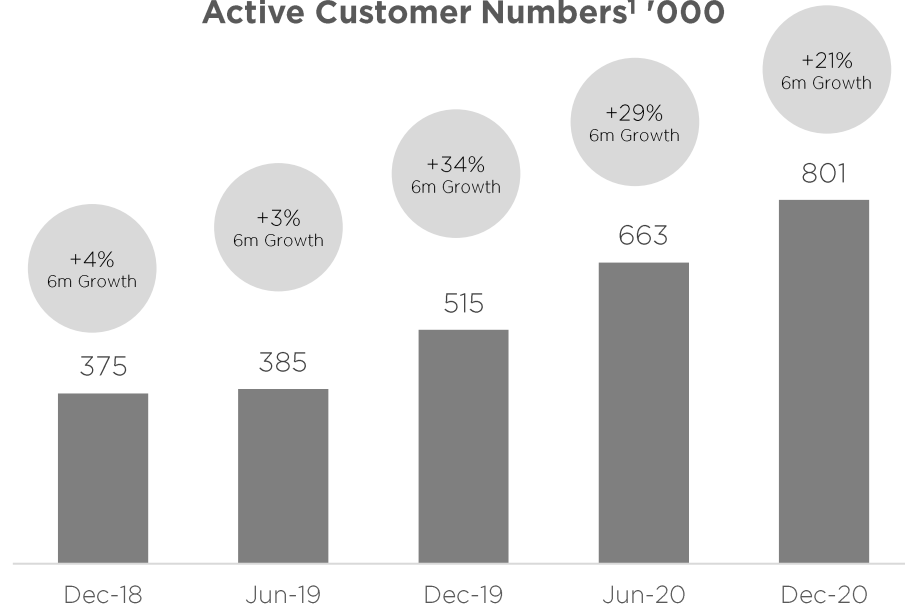
1. Underlying EBITDA excludes non-recurring costs (e.g. relating to acquisitions and equity raise) and is presented on a pre-AASB16 basis

CUSTOMER-FOCUSED GROWTH STRATEGY

Plus-size focus, global customer base growth, digital

GLOBAL CUSTOMER BASE GROWTH

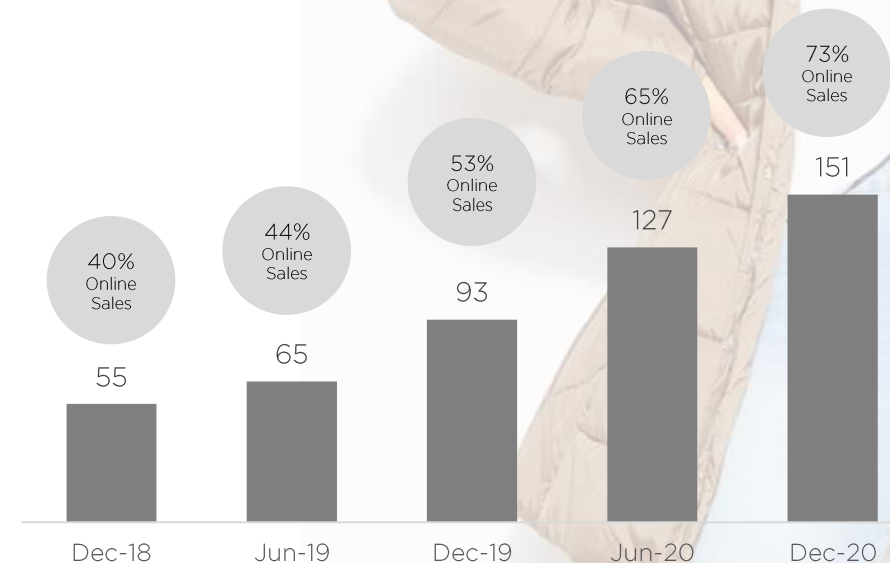
Active Customer Numbers¹ '000



- Active customers increased from 515k to 801k in the 12 months to Dec 2020 representing an increase of 56%
- Active customer growth driven primarily by the USA; growth in southern hemisphere driven primarily by average annual spend

INCREASED ONLINE PENETRATION

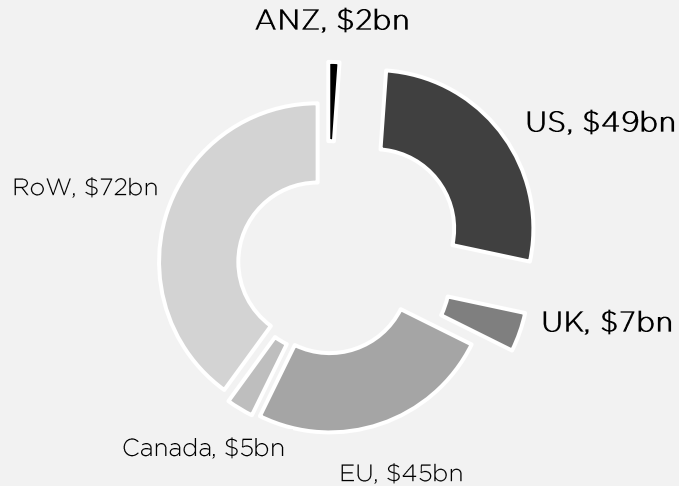
Rolling 12-month Global Online Sales² \$m



- Online penetration has increased from 53% to 73% in the 12 months to December 2020
- Strong online growth in both ANZ and the USA; 62% online revenue growth YoY for the 12 months to December 2020 and 71% growth YoY for the 12 months to December 2019

GLOBAL PLUS-SIZE LANDSCAPE

Currently address US\$58bn of the US\$180bn¹ total global plus size market



City Chic's current penetration by product stream and region

	Fashion / Youth	Conservative Value	Intimates
ANZ	Established	No Current Share	Established
USA	Early Stage	Established	Early Stage
UK	No Current Share	Established	Early Stage

GROWTH

Plus-size market forecast to grow c.7%¹ annually

- Average annual spend in plus-size is currently materially less than the rest of the women's apparel market
- Curvy women increasingly gaining confidence
- Increasing rates of plus-size women globally

ONLINE

- Plus-size women have embraced shopping online
- Current online sales represent one quarter¹ of total plus-size sales globally
- Strong forecast growth in online channels in the global plus-size market

UNDERSERVED

- Traditionally, plus-sized women's clothing has been serviced by department stores or select retailers with extended sizing
- Limited number of independent plus-sized brands

1. Source Credence Research, Inc.

CURRENT BRAND PORTFOLIO & STRATEGIC OPPORTUNITY

Current global brand footprint. Opportunity to address global market with our portfolio of brands

	FASHION / YOUTH	CONSERVATIVE VALUE	INTIMATES
AUSTRALIA & NEW ZEALAND	city chic CCX <i>Greater Share of Wallet</i>	3* <i>Market Entry Opportunity</i>	city chic CCX FOX&ROYAL <i>Market Share Expansion and Greater Share of Wallet</i>
UNITED STATES OF AMERICA 1*	city chic CCX <i>Market Share Expansion / Customer Acquisition</i>	avenue cloudwalkers <i>Market Share Expansion / Customer Acquisition</i>	avenue city chic CCX Hips & Curves <i>Market Share Expansion and Greater Share of Wallet</i>
UNITED KINGDOM 2*	city chic CCX <i>Market Entry Opportunity</i>	EVANS avenue <i>Market Share Expansion / Customer Acquisition</i>	city chic CCX FOX&ROYAL <i>Market Entry Opportunity</i>

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*Corresponds to Key Initiatives outlined on next slide



KEY INITIATIVES TO LEAD A WORLD OF CURVES

1

MARKET SHARE
EXPANSION IN THE USA

- Significant market share opportunity in the US\$49bn¹ market
- Cross selling of City Chic product to the Avenue customer is tracking very well
- Expand marketing campaigns to grow customer base and to re-engage customers
- Expand existing and enter new marketplace partnerships

2

MARKET SHARE
EXPANSION IN THE UK

- Significant market share opportunity in the US\$7bn¹ market
- Evans acquisition accelerates entry into the UK
- Key priorities outlined on slide 12

3

MARKET ENTRY FOR
'CONSERVATIVE VALUE'
IN ANZ

- Website development underway; targeting 1H FY22 launch
- Leverage product stream already designed for Avenue/Evans
- Leverage existing infrastructure in ANZ; significant reach in current market

4

MARKET ENTRY
IN EUROPE

- Significant market share opportunity in the US\$45bn¹ market
- Currently trialing in Europe through wholesale channel
- Partner marketplace strategy in Europe well-progressed with launch expected 1H FY22

WORLD OF CURVES SOCIAL COMMUNITY

EXPAND FASHION / YOUTH OFFERING GLOBALLY

ENHANCED STORE FOOTPRINT IN ANZ



- Earnings accretive and trading profitably; exceeding sales and earnings expectations
- Store customer re-engagement underway through increasing our spend in direct mail and digital retargeting, with pleasing early signs
- City Chic product received well by the Avenue customer
- New eCommerce experience with new website and improved customer service
- Integrated supply chain and logistics to support cross selling across brands
- Introduced consistency in extended lifestyles including sleep and intimates
- Cloudwalker shoe brand trading well with supply and design capabilities established
- Built inventory to drive growth, aligned to elevated marketing campaign



Avenue ranked one of the best 2021 Women's Fashion (single brands) by [Newsweek](#)



Acquired US-based Avenue e-commerce business in October 2019 for US\$16.5m



US website delivering everyday fashion with mid-market price point



Leveraging longstanding customer base to deliver broader range of product

EVANS

ACQUISITION HIGHLIGHTS

Completed acquisition of UK-based Evans eCommerce and wholesale business on 23 December 2020 for £23.1m (A\$41.0m)

- Evans is a well-recognised specialty retailer of plus-size apparel and footwear; established in 1930 in the UK
- Targeting a broad customer base across the conservative and fashion segments in the curvy market, the website sells the Evans brand as well as other plus-size brands

Strong position in underpenetrated UK plus-size market of US\$7bn¹ annually, with high online penetration

Provides scale and profitability in new market and platform to expand further in the region

Aligned to existing City Chic Collective product

Leverage existing traffic and customer base to introduce wider range of product and lifestyles

Opportunity to improve profitability by overlaying lean, customer-centric operating model

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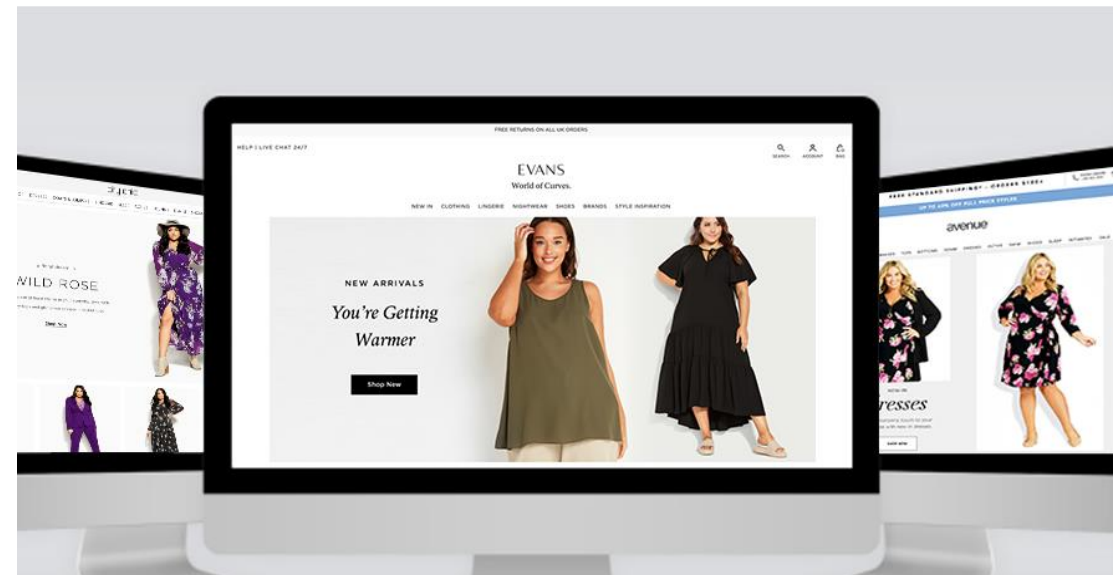
1. Source Credence Research, Inc

ACQUISITION UPDATE

- Successfully transitioned to a new E-commerce platform and our operating systems in March 2021
- Commenced integration of supply chain
- Secured third party logistics provider based in the UK
- Exited transitional services agreement in March 2021, ahead of schedule
- Introduced City Chic, CCX, Avenue and Fox & Royal brands to Evans.co.uk

POST ACQUISITION PRIORITIES

- Wider range of product and lifestyles
- Optimise as a digitally led business
- Expand wholesale and marketplace relationships
- Implement customer-centric operating model for UK operations
- Integrate supply chain and rebuild stock



TRADING UPDATE

Strong positive comparable sales growth and strong customer base growth in 2H FY21 to date, however two large trading months of May and June ahead

Gross margin % for all channels has now fully recovered since the higher levels of discounting in early-mid 2020 due to COVID-19

Shipping and logistics costs have reduced since Q2 FY21, but remain elevated vs pre-COVID levels

Continue to invest in inventory to drive online growth globally as well as our partner business; stock in stores is below levels in prior year (on comparable store basis)

ANZ	Strong trade in ANZ has continued into the 2H FY21, driven by expanded lifestyles and increase in digital marketing initiatives to deliver customer growth
CC US Website	Now back to growth (relative to corresponding period in FY20 & FY19), driven by strong rebound in dress category from March 2021
Avenue.com	Trading well with strong growth versus the prior year and ahead of pre-acquisition levels, driven by expanded product range (including City Chic branded product) and positive response to increased marketing initiatives
Partner	Sales through US partner channels are still down on pre-COVID levels due to the ongoing impact of the pandemic on partners into 2021. However, over the past two months partner sales have been ramping up with Nordstrom live end-February 2021, Co-edition growing and Macys to go-live expected this month
Evans	Evans fully integrated ahead of schedule and under budget; stock still not at commercial levels and in the process of rebuilding. The lockdowns and restrictions in the UK due to the pandemic started to ease from April 2021





Q & A

Phil Ryan, CEO | Munraj Dhaliwal, CFO

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