

# city chic collective

21 June 2024

## ENTITLEMENT OFFER CLEANSING NOTICE

City Chic Collective Limited ACN 057 569 169 (ASX:CCX) (**City Chic**) gives notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**), as modified by the Australian Securities and Investments Commission Corporations (**Non-Traditional Rights Issues**) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (**ASIC Instruments**). Where applicable, references in this notice to sections of the Corporations Act are to those sections as modified by the ASIC Instruments.

City Chic today announced an underwritten placement to institutional investors of 35,904,087 new fully paid ordinary shares in City Chic (**New Shares**) (**Placement**) to raise approximately \$5.385 million and a partially underwritten accelerated non-renounceable pro-rata entitlement offer of 117,333,620 New Shares in the Company (subject to rounding of entitlements) to raise approximately A\$17.6 million (**Entitlement Offer** and, together with the Placement, the "**Offer**").

The Entitlement Offer comprises an institutional component of approximately 66.67 million New Shares to raise approximately \$10.0 million (which is wholly underwritten) and a retail component of approximately 50.67 million New Shares to raise approximately \$7.6 million (of which approximately \$2.1 million is underwritten)

Under the Entitlement Offer, eligible shareholders of the Company will be entitled to subscribe for 1 New Share for every 2.04 ordinary shares they hold in the Company as at 7.00pm (Sydney, Australia time) on the record date, being Tuesday, 25 June 2024. Each New Share issued under the Entitlement Offer will be issued at an issue price of \$0.15. The Entitlement Offer consists of an institutional component, to be conducted over the next day and a retail component, which will be open from Friday, 28 June 2024 to Wednesday, 10 July 2024, unless extended or withdrawn.

With respect to the Entitlement Offer, City Chic advises that:

- (a) the New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is being given under section 708AA(2)(f) of the Corporations Act;
- (c) as at the date of this notice, the Company has complied with:
  - (i) the provisions of Chapter 2M of the Corporations Act as they apply to City Chic; and
  - (ii) sections 674 and 674A of the Corporations Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act; and

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- (e) the potential effect of the issue of New Shares on the control of City Chic and the consequences of that effect will depend on a number of factors, including investor demand, existing shareholdings in the Company and the extent to which eligible shareholders take up New Shares under the Entitlement Offer. However, having regard to the terms of the Entitlement Offer which is structured as a pro rata issue, and the underwriting and sub-underwriting arrangements for the Entitlement Offer, City Chic does not expect that any person will increase their percentage shareholding in City Chic in a way which will have a material impact on the control of City Chic.

In addition to the above:

- Given the structure of the Entitlement Offer as a pro rata offer, if all Eligible Shareholders take up their full entitlements under the Entitlement Offer, they will maintain their existing percentage interest in the total issued share capital of City Chic in so far as the Entitlement Offer is concerned. However as set out above, in addition to the Entitlement Offer, City Chic will undertake the Placement. The Placement will involve the issue of approximately an additional 35.9 million New Shares (**Placement Shares**). The Placement Shares will represent approximately 9.1% of the fully paid ordinary shares on issue in City Chic following completion of both the Placement and the Entitlement Offer. Accordingly, existing shareholders of City Chic will be diluted because of the Placement, even if they take up their full Entitlement under the Entitlement Offer. The board of directors of City Chic does not consider that the Placement will have any material impact on the control of City Chic.
- If Eligible Shareholders do not take up all of their entitlements in the Entitlement Offer, their holdings are likely to be diluted;
- The proportional interests of Shareholders who are ineligible shareholders will be diluted because those Shareholders are not entitled to participate in the Entitlement Offer; and
- The Entitlement Offer is partially underwritten by Canaccord Genuity (Australia) Limited ACN 075 071 466 (**Lead Manager**) pursuant to an underwriting agreement between City Chic and the Lead Manager. In the event there is a shortfall under the Entitlement Offer, some of those shortfall shares may be allocated to the Lead Manager and sub-underwriters. The issue of New Shares to the Lead Manager (or any sub-underwriters appointed by the Lead Manager) is not expected to have any material effect on the control of City Chic.

The release of this announcement was authorised by the Board of Directors.

### **About City Chic Collective**

City Chic Collective is a global omni-channel retailer specialising in better dressing plus-size women's apparel, footwear and accessories. Its omni-channel model comprises a network of 77 stores across Australia and New Zealand (ANZ) and websites operating in ANZ, the USA, and third-party marketplace and wholesale partners in Australia, New Zealand and the USA.

### **Investor and Media Enquiries**

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