

city chic collective

LEADING A
WORLD OF CURVES

FY21 RESULTS

26 August 2021



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FY21 RESULT OVERVIEW

FY21 RESULT HIGHLIGHTS

\$258m

Global Sales

Australia, New Zealand, USA, Canada, UK, Europe, Middle East

73%

Online Sales Penetration²

1.07m

Active Customers³

407k Net New Customers

61% YoY Growth

58.1m

Website Traffic⁵

68% YoY Growth

32.9%

Top-line Sales Growth

31.6%

Comp Sales Growth¹

44%

Sales Revenue outside ANZ

\$258.5m

Global Sales⁶

1.07m

Active Customers^{3,6}

58.1m

Global Traffic^{5,6}

ANZ, 56%

Americas, 39%

EMEA, 6%

ANZ, 42%

Americas, 47%

EMEA, 11%

ANZ, 33%

Americas, 54%

EMEA, 13%

\$42.4m

Underlying EBITDA⁴

59.8% YoY Growth

16.4% Margin

\$36.0m

Underlying EBIT⁴

73.9% YoY Growth

13.9% Margin

\$24.9m

Underlying NPAT⁴

80.6% YoY Growth

9.6% Margin

1. Comparable sales exclude Wholesale and Online Marketplaces and the recent acquisition of Evans; includes Avenue from mid-October 2020 (one year from acquisition); excludes period of extended store closures due to Government-directed lockdowns. On constant currency basis (prior year re-stated at current year FX rate)
2. Online represents websites and online marketplace sales
3. Active customers include customers who have shopped online, in stores and omni-channel in the last 12 months; excludes wholesale and marketplace customers
4. Underlying earnings adjusted for net expenses of \$3.3m, which include costs associated with the July-August 2020 equity raise and the acquisition of Evans, as well as other adjustments. No adjustment for the non-cash long term incentive share-based expense of \$3.2m in FY21 (\$2.8m in FY20). Presented pre-AASB16, with reconciliation in Appendix
5. Traffic to Online Websites, excludes traffic to Online Marketplaces
6. ANZ refers to Australia and New Zealand, Americas includes USA and Canada, EMEA region refers to Europe, Middle East and Africa

FY21 RECAP

Entry into the UK market with acquisition of Evans; integration complete and growth strategy launched

Implemented strategy to re-engage the Avenue customer base and drive market share growth in the US

Expanded online offering including casual, basics and sleepwear. New lifestyles developed and being trialled including Refinity, Arna York, Societie+, Zim & Zoe and Aveology

Introduced greater assortment to all websites – City Chic product on Avenue.com, and City Chic and Avenue product on Evans.co.uk

Enhanced store environments; 12 new stores and closure of 16 holdover stores; 3 conversions to larger sites

Agreed acquisition of Navabi online marketplace (completed post year end in July 2021), marking the entry into the European market

Launched new marketplace partnerships including Next (UK), Freemans (UK), Curvissa (UK) & Hudson's Bay Company (Canada)

Negotiated new marketplace partnerships with Debenhams (UK), Very (UK), Amazon (UK), Walmart (US), Target (US), Zalando (Germany), eBay (AU)

Commenced wholesale partnership with Alshaya in the Middle East as a channel to deliver our assortment to their customers

Successfully navigated pandemic challenges; product mix adapted, stock managed across global operations, overcame logistics challenges, and ongoing store lockdowns

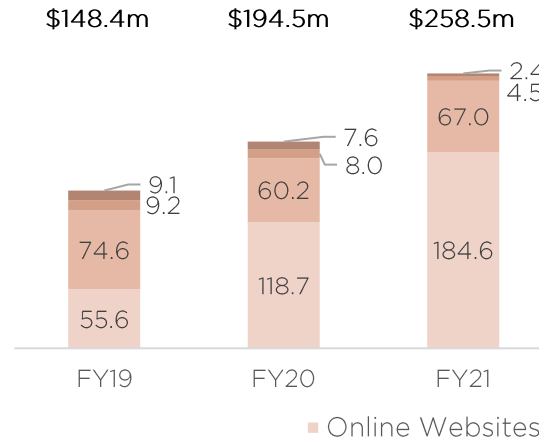
Published Modern Slavery Act Statement, achieved 'Green' rating in the COVID-19 Fashion Report, rolled out worker surveys and strengthened our cotton regions ban

Completed Equity Raise of \$111m to support global growth opportunities

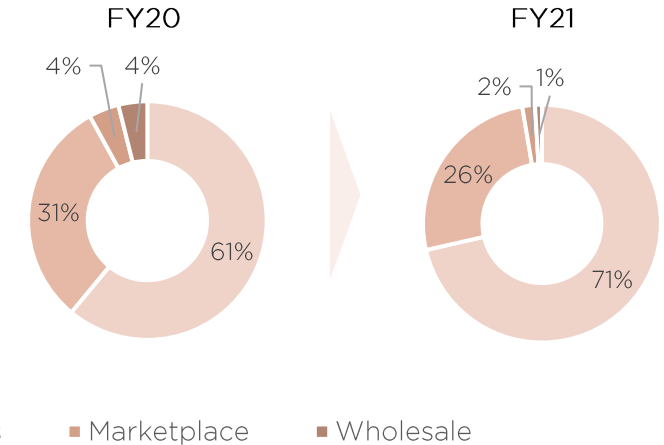
SALES PERFORMANCE BY CHANNEL & REGION

REVENUE BY CHANNEL

FY21	Sales Revenue (A\$m)	Sales Growth Reporting Currency	Sales Growth Constant Currency ¹	Comp Sales Growth ²
Online Website	184.6	55.6%	64.5%	37.5%
Stores	67.0	11.2%	11.4%	12.1%
Marketplace	4.5	(44.0%)	(37.7%)	NA
Wholesale	2.4	(68.5%)	(66.1%)	NA
Total	258.5	32.9%	38.5%	31.6%

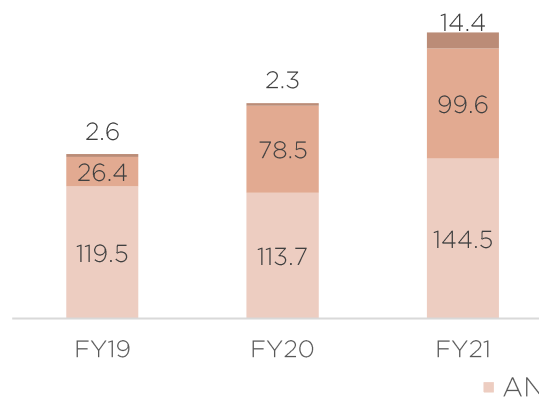


CONTRIBUTION BY CHANNEL

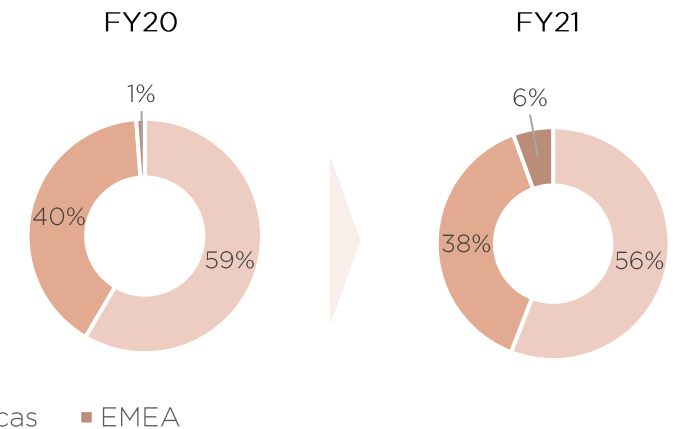


REVENUE BY REGION

FY21	Sales Revenue (A\$m)	Sales Growth Reporting Currency	Sales Growth Constant Currency ¹	Comp Sales Growth ²
ANZ	144.5	27.1%	27.3%	32.2%
Americas	99.6	26.8%	37.4%	30.8%
EMEA	14.4	533.7%	NA	NA
Total	258.5	32.9%	38.5%	31.6%



CONTRIBUTION BY REGION



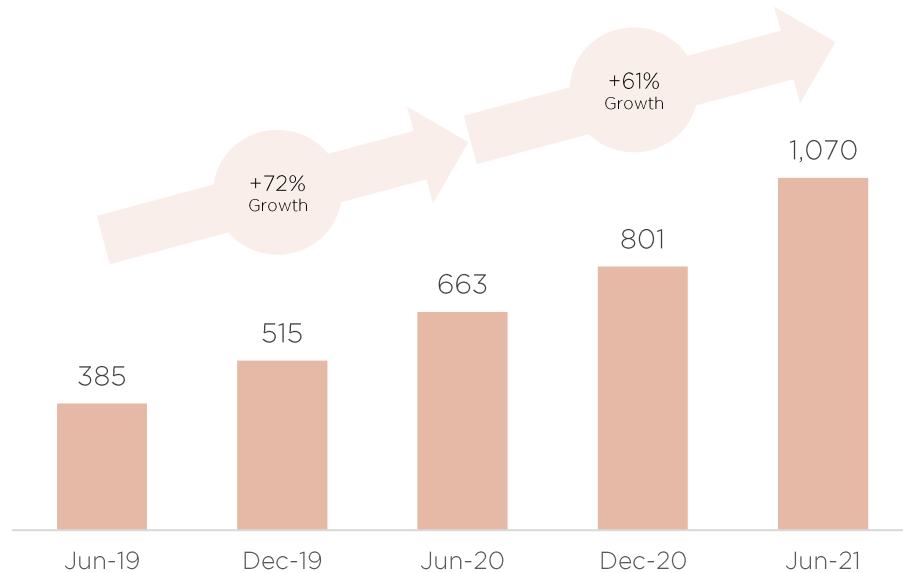
1. Constant currency is calculated by restating the prior year sales at the current year FX rate
 2. Comparable sales exclude Wholesale and Online Marketplaces and the recent acquisition of Evans; includes Avenue from mid-October 2020 (one year from acquisition); excludes period of extended store closures due to Government-directed lockdowns. Calculated on a constant currency basis

CUSTOMER-FOCUSED GROWTH STRATEGY

Plus-size focus, global customer base growth, digital

GLOBAL CUSTOMER BASE GROWTH

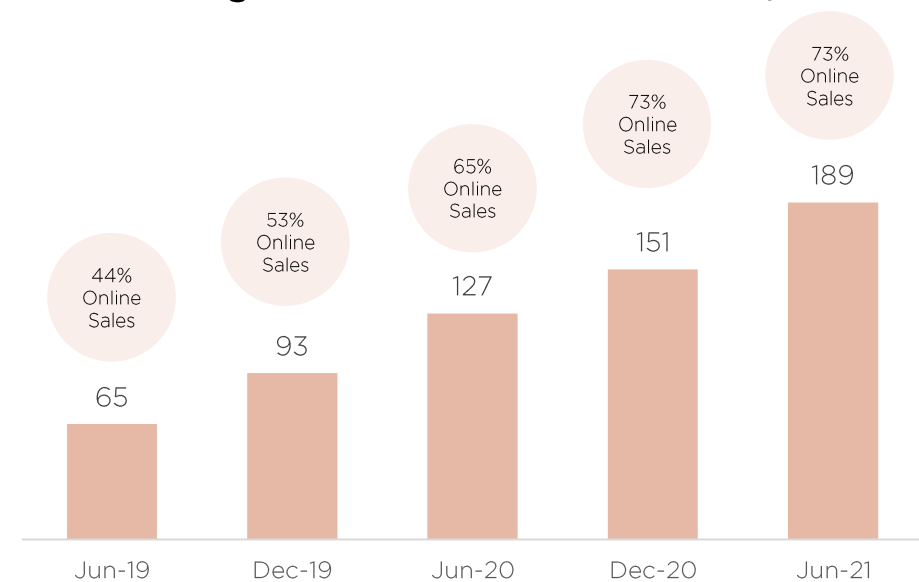
Customer Numbers¹ '000



- Active customers increased from 663k to 1,070k in the last 12 months representing a 61% increase
- Active customer growth in all regions; includes Avenue and Evans customers who have shopped with CCX from time of acquisition (Oct-19 and Dec-20 respectively)

INCREASED ONLINE PENETRATION

Rolling 12-month Global Online Sales² \$m



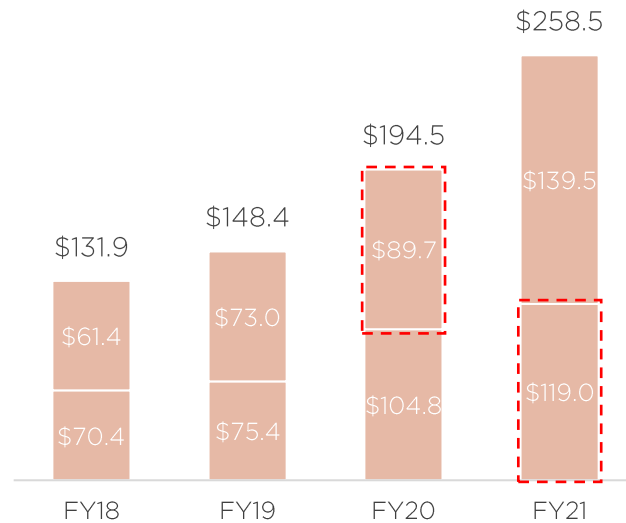
- Online penetration has increased from 65% to 73% in the last 12 months
- Strong online (website and marketplace) revenue growth
 - 49% YoY growth in FY21
 - Almost 3x vs FY19

FINANCIAL PERFORMANCE

Track record of strong consistent sales and earnings growth

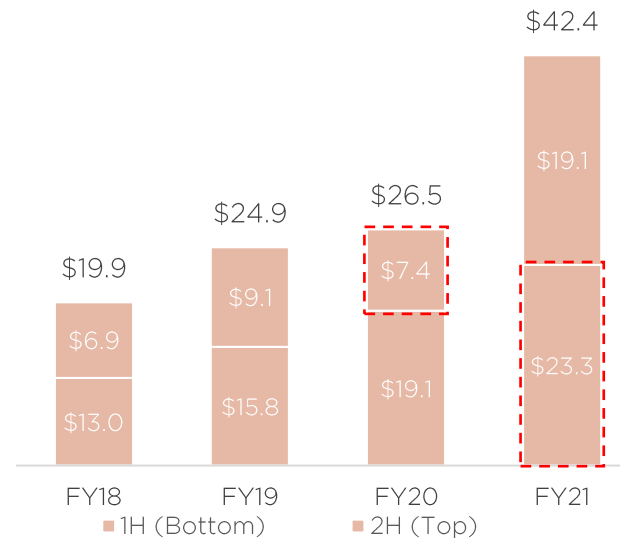
SALES GROWTH

Sales Revenue \$m



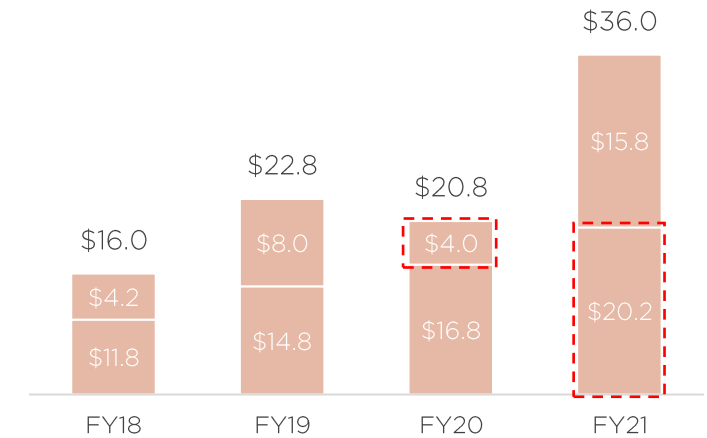
EBITDA GROWTH

Underlying EBITDA¹ \$m



EBIT GROWTH

Underlying EBIT¹ \$m



- Strong growth in topline sales driven by ANZ online, expansion of the US digital business and entry into the UK with Evans acquisition in Dec-20
- FY21 revenue growth of 32.9%
 - ANZ growth of 27% driven by 45% online growth
 - USA online website growth of 44% driven by Avenue.com
 - Sales contribution of \$14m from EMEA

- Consistent YoY growth in earnings, with impact of pandemic across last two financial years
- FY21 Underlying EBITDA of \$42.4m represents YoY growth of 59.8% and 16.4% margin
- Relatively low ongoing capital requirements; FY21 Underlying EBIT of \$36.0m represents YoY growth of 72.9% and 13.9% margin

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

Heavily impacted by COVID-19: extended store closures, significant drop in consumer demand for key categories globally, pause to wholesale and marketplace business



BUSINESS OVERVIEW AND
STRATEGY

World of Curves

THE DESTINATION FOR HER EVERY LIFESTYLE NEED

OUR STRATEGY

Deliver the Collective's significant product range to the global plus-size market through our global digital and physical storefronts

GLOBAL PLUS-SIZE MARKET

Global Plus-size Customer across various lifestyles: fashion, youth, conservative, intimates

\$180bn annually¹

GLOBAL DIGITAL STORE FRONTS

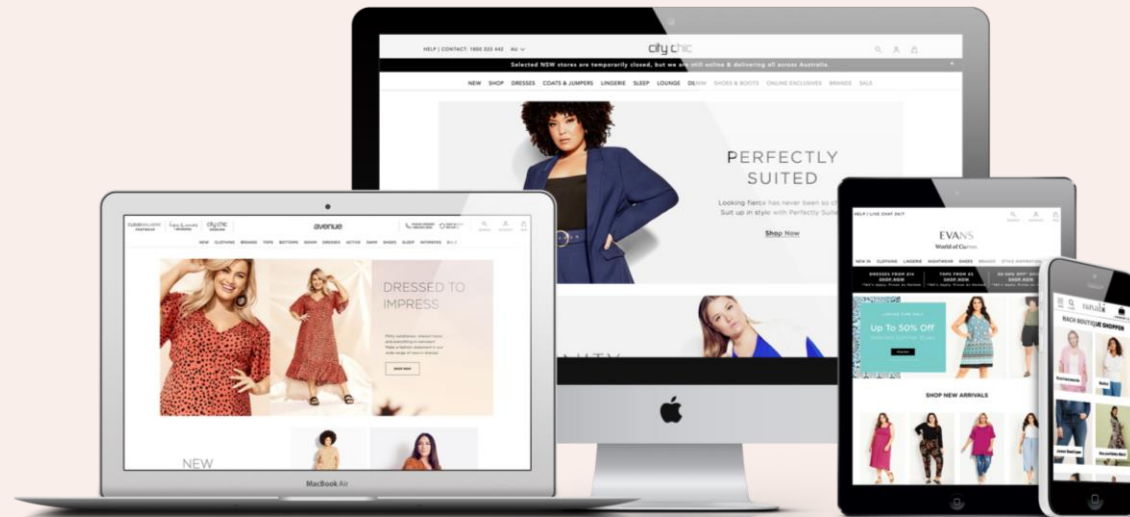
city chic avenue
EVANS navabi

& Partners + Stores

GLOBAL PRODUCT RANGE

5k+
STYLES

15+
BRANDS²



1. Source Credence Research, Inc.
2. Includes recently launched lifestyle brands and owned brands acquired through Navabi

avenue



CCX



EVANS



personal use only

Hips & Curves
FOX & ROYAL



city chic



city chic collective

CLOUDWALKERS

CUSTOMER-CENTRIC OPERATING MODEL

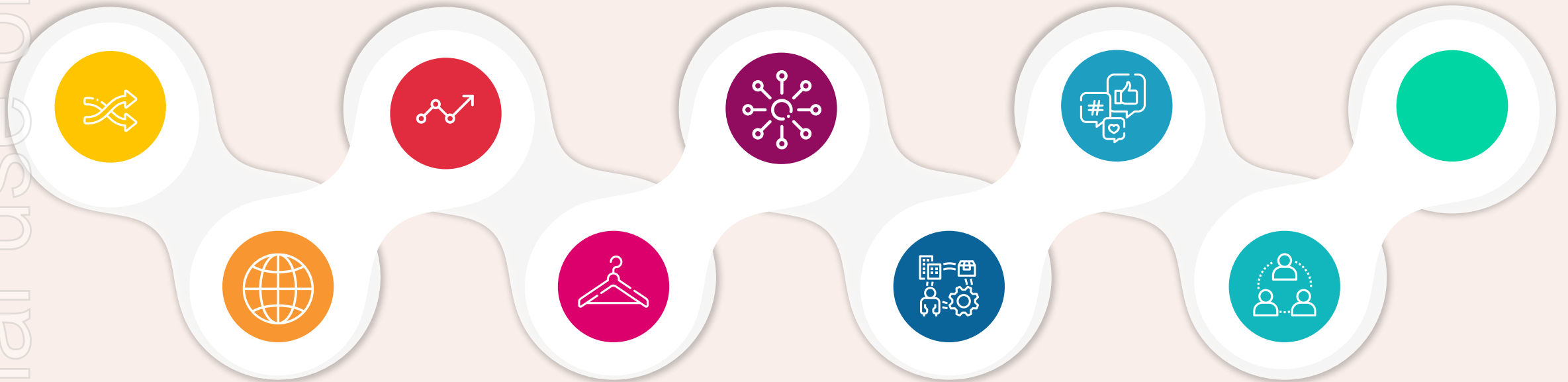
Nimble operating model; respond quickly to changes in demand

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

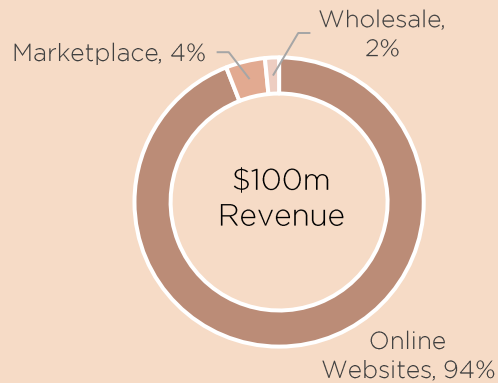
Diversified Product Range

Customer-led supply chain

Long-standing Executive team that knows the customer

GLOBAL BUSINESS OVERVIEW

AMERICAS



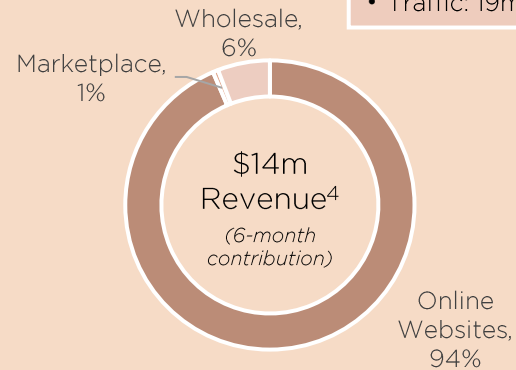
- 522k Active Customers¹
- 32m Annual Traffic²
- A\$180 avg Annual Spend³
(note: average USD FX rate of 0.74 in FY21)

avenue cloudwalkers city chic CCX Hips & Curves

USA fulfilment site in Dallas
Canada fulfilment site in Ontario
Office in New Jersey

EMEA

Evans Full Year Pre-Acquisition:
• Revenue: A\$46m
• Traffic: 19m

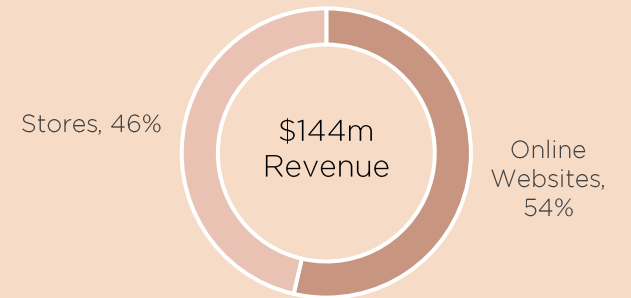


- 120k Active Customers^{1,4}
- 7m Evans Traffic Since Acquisition^{2,4}
- A\$110 avg Spend Since Acquisition^{3,4}
(note: skewed lower with only 6 month contribution)

EVANS city chic avenue CCX FOX&ROYAL

UK fulfilment site in Gateshead
European fulfilment site in NW Germany
Office in London

AUSTRALIA & NEW ZEALAND



- 428k Active Customers¹
- 19m Annual Traffic²
- A\$337 avg Annual Spend

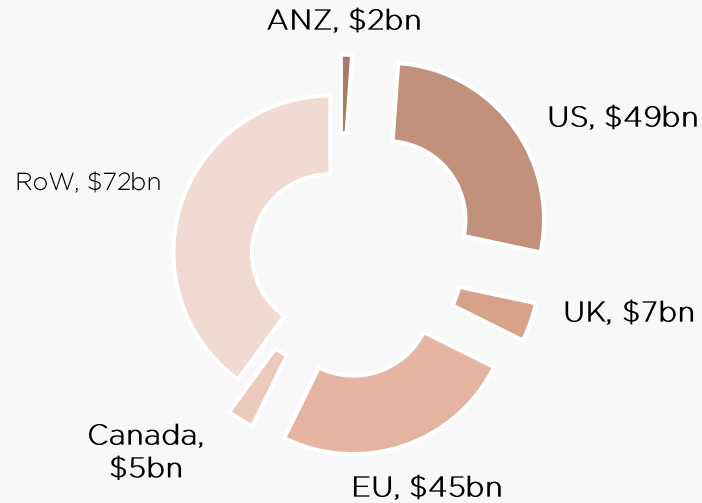
city chic CCX FOX&ROYAL

ANZ fulfilment site in Sydney
89 stores at end of June 2021
Head office in Sydney

1. Active customers includes customers who have shopped in online, stores and omni-channel in the last 12 months; excludes wholesale and marketplace (at Jun 2021)
2. Traffic to our own websites in the 12 months to Jun 2021; excludes stores and partner marketplace websites
3. Average annual spend excludes wholesale and marketplace customers
4. Includes Evans revenue (in AUD) and metrics for 6 months since acquisition (acquired on 23 Dec 2020)

GLOBAL PLUS-SIZE LANDSCAPE

Currently address US\$100bn+ of the US\$180bn¹ total global plus size market
 Entry into US\$45bn European market in FY22 with Navabi acquisition²



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

City Chic's current penetration by product stream and region

	Fashion / Youth	Conservative	Intimates
ANZ	Established	No Current Share	Established
USA	Early Stage	Established	Early Stage
UK	Early Stage	Established	Early Stage
EU	Entry in July 2021 with Navabi acquisition ²		
Canada	Entry in April 2021 with minimal current share ³		

1. Source Credence Research, Inc.
 2. City Chic Collective acquired European plus-size retailer Navabi on 23 July 2021 (refer slide 18 for details)
 3. New 3PL facility established and launched with HBC; expanding marketplace partners¹

CURRENT BRAND PORTFOLIO & STRATEGIC OPPORTUNITY

Opportunity to address global plus-size market with our portfolio of brands

	FASHION / YOUTH	CONSERVATIVE	INTIMATES	
OUR BRANDS	city chic CCX	avenue® EVANS	city chic FOX&ROYAL Flips & Curves avenue®	
AUSTRALIA & NEW ZEALAND	Greater Share of Wallet	Market Entry Opportunity (Launched August 2021)	Market Share Expansion and Greater Share of Wallet	
UNITED STATES OF AMERICA	Market Share Expansion / Customer Acquisition	Market Share Expansion / Customer Acquisition	Market Share Expansion and Greater Share of Wallet	
UNITED KINGDOM	Market Share Expansion / Customer Acquisition	Market Share Expansion / Customer Acquisition	Market Entry Opportunity	EVANS Acquisition
EUROPE	Market Entry Opportunity	Market Entry Opportunity	Market Entry Opportunity	navabi Acquisition

Executed in past 12 months

Continue to Drive Forward

KEY INITIATIVES TO LEAD A WORLD OF CURVES

MARKET SHARE EXPANSION IN THE USA	<ul style="list-style-type: none"> • Significant market share opportunity in the US\$49bn¹ market • Cross-selling of City Chic product to the Avenue customer has been successful and accelerated in the past six months • Expand marketing campaigns to grow customer base and to re-engage customers • Expand existing and enter new marketplace partnerships – see slide 19
MARKET SHARE EXPANSION IN THE UK	<ul style="list-style-type: none"> • Significant market share opportunity in the US\$7bn¹ market • Evans acquisition accelerates entry into the UK; provides platform to drive customer base growth • Build on the initial deliveries of City Chic and Avenue product to the Evans customer; strong customer reaction to date with sales now above pre-acquisition levels • Expand existing and enter new marketplace partnerships – see slide 19 • Key priorities outlined on slide 17
MARKET ENTRY FOR ‘CONSERVATIVE VALUE’ IN ANZ	<ul style="list-style-type: none"> • Adopted the learnings from the US market entry experience – leverage the strong existing traffic streams of Citychic.com.au and partnered with David Jones to introduce the conservative value product stream into the market • Avenue/Evans “soft-launch” on Citychic.com.au in August 2021 with positive early reads from limited initial assortment; will expand the assortment to over 1,500 styles throughout 1H FY22 • Entered a partnership with David Jones for a concession in 14 stores and their online marketplace
MARKET ENTRY IN EUROPE	<ul style="list-style-type: none"> • Significant market share opportunity in the US\$45bn¹ market • Acquisition of Navabi to provide a foothold into European market; initial reads of customer loyalty has been pleasing • Introduce all the collective’s brands, leveraging product stream already produced as well as developing new ranges • Launch marketplace partnerships in Europe to drive brand awareness – see slide 19

EXPAND FASHION / YOUTH OFFERING GLOBALLY

ENHANCED STORE ENVIRONMENTS IN ANZ

WORLD OF CURVES SOCIAL COMMUNITY

REVIEW INORGANIC OPPORTUNITIES

1. Source Credence Research, Inc.

AN UPDATE ON EVANS

ACQUISITION HIGHLIGHTS

Completed acquisition of UK-based Evans eCommerce and wholesale business on 23 Dec 20 for £22.7m (A\$40.2m)

Scale and profitability in new market

UK plus-size market valued at US\$7bn¹

Platform to expand further in the region

£23m annual online revenue²

£3m annual wholesale revenue²

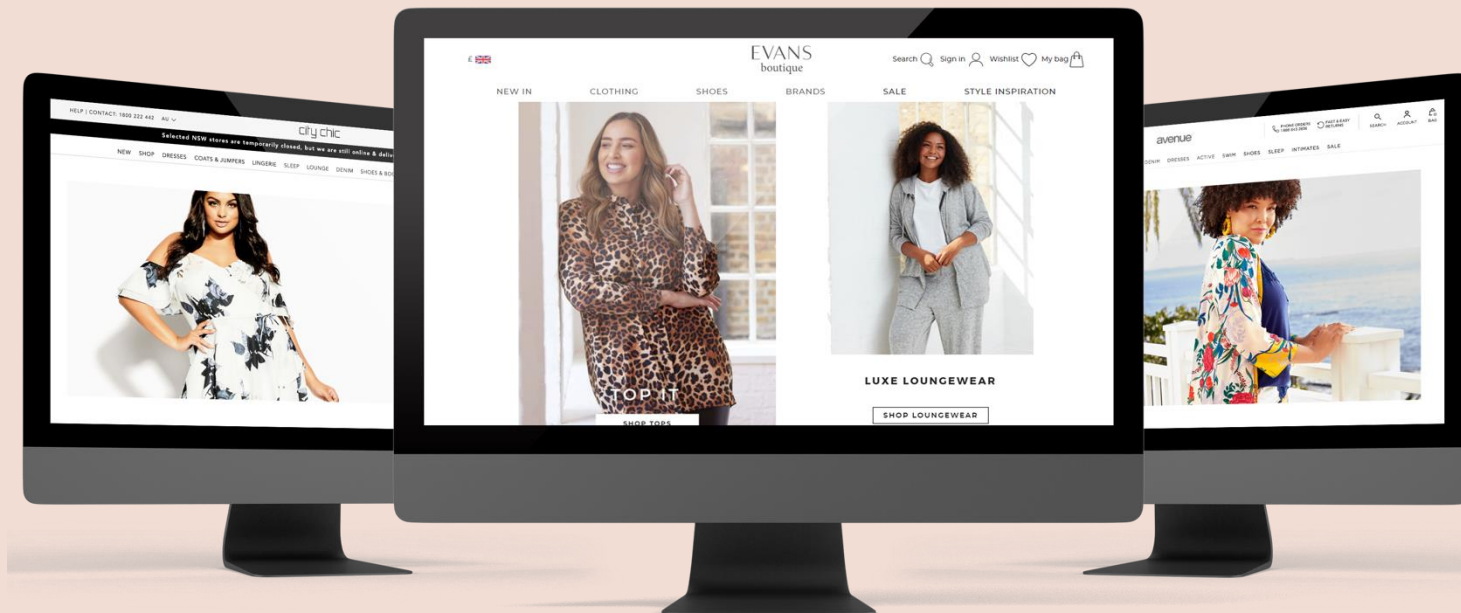
19m annual online traffic²

Leverage existing traffic & customer base

Introduce wider range of product

ACQUISITION UPDATE

- Completed integration and exited Transition Services Agreement in March 2021
- Supply chain integrated; new stock delivered from late 2H FY21
- Established new 3PL facility to service UK own website and partners
- Introduced City Chic and Avenue product to the Evans customer, with strong early reads
- Entered partnership agreements with Freemans, Curvissa, Next, Very, Debenhams
- Sales revenue above pre-acquisition levels in FY22 to date



1. Source Credence Research, Inc
2. Financial year to August 2020 (12 months)

INTRODUCING navabi

ACQUISITION HIGHLIGHTS

- Established eCommerce retailer with a strong position in the significant European plus-size market and with a loyal customer following
- Signed and completed Share Purchase Agreement for 100% of Navabi for €6.0m (A\$9.6m) cash on 23 July 2021
- Provides immediate material entry into a new market and a platform to expand further in Europe (plus-size market of US\$45bn¹)
- Sales revenue of €10.4m (A\$16.6m) and website traffic of 5.8m visits in 2020; prior to pandemic the annual traffic exceeded 10m visits
- Aligned to existing City Chic Collective product streams
- Leverage traffic and customer base to introduce the Collective's brands on the Navabi marketplace
- Leverage Collective's global supply chain for Navabi's owned brands
- 100% online penetration
- Opportunity to improve profitability by overlaying lean, customer-centric operating model

ACQUISITION UPDATE

- Continued deliveries of inventory order book, plus City Chic and Avenue product in transit
- Website build and integration well progressed with expected completion in September 2021
- Go-forward team set up and integrated into existing organisational structure
- Process underway for warehousing options
- Early signs of customer loyalty pleasing

POST ACQUISITION PRIORITIES

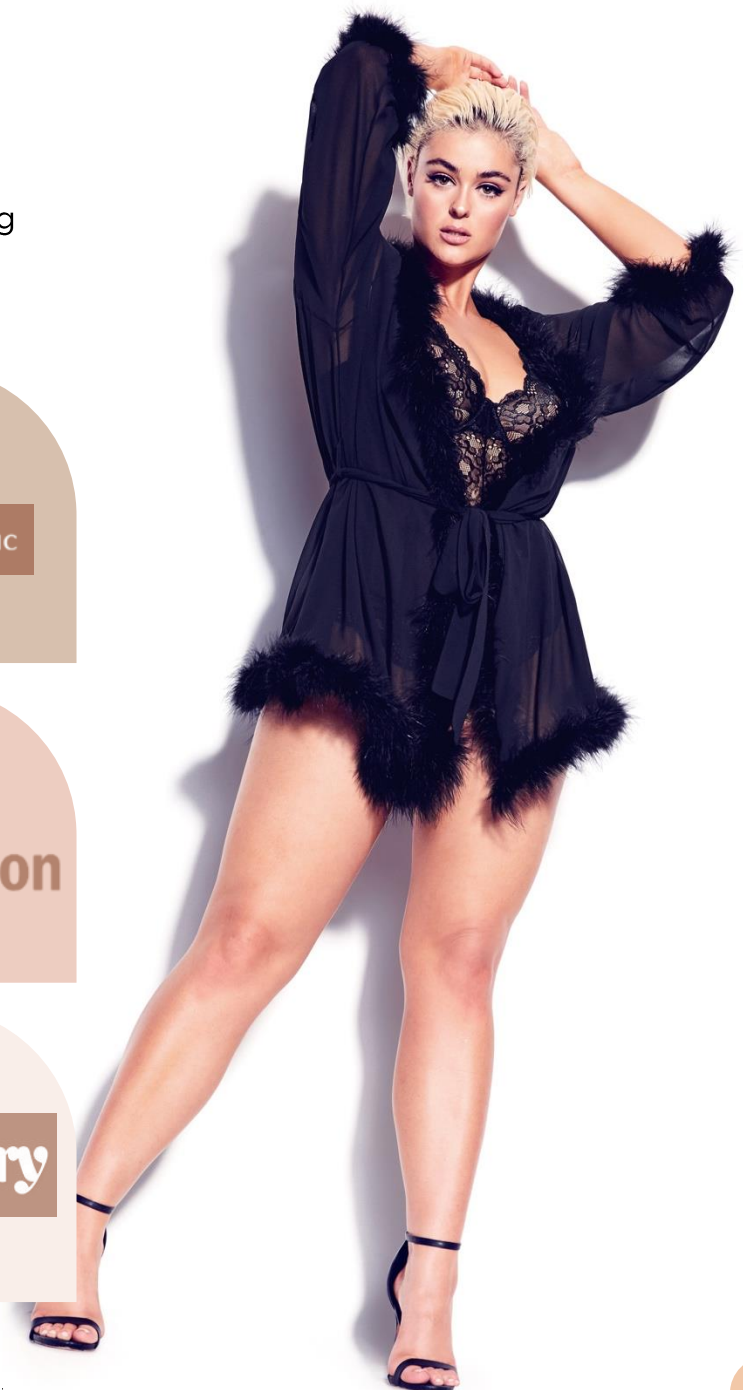
- Introduce the Collective's brands to the European customer base
- Rebuild the stock position to commercial levels
- Complete integration of the business including team, website and warehouse
- Implement supply chain opportunities
- Launch with European marketplace partners



GLOBAL MARKETPLACE PARTNERSHIPS¹

Partnerships in new and existing regions form a part of our customer acquisition strategy; leveraging infrastructure to profitably bring awareness to our global brands as trends continue online

	Established ²	New in 2H FY21	1H FY22
ANZ			
AMERICAS			
EMEA			



1. Marketplace/dropship partners only; excludes wholesale partners
 2. Whilst these partners are well-established, they were offline for a majority of FY21 due to impacts from the pandemic



FY21 FINANCIAL REVIEW

FINANCIAL PERFORMANCE

A\$m: Continuing Operations	FY19	FY20	FY21
Sales Revenue	148.4	194.5	258.5
<i>Revenue Growth vs PCP</i>	12.6%	31.0%	32.9%
<i>Comparable Sales Growth¹</i>	12.2%	6.4%	31.6%
<i>Online % of Sales Revenue</i>	44%	65%	73%
Gross Trading Margin²	95.0	112.3	159.8
<i>Gross Trading Margin %</i>	64.0%	57.8%	61.8%
Fulfilment costs ³	9.2	18.9	30.7
Employee Benefits Expense	29.9	29.6	36.3
Advertising Expenses	1.6	4.3	15.4
Marketing Expenses	2.9	3.2	6.0
Rent (Pre-AASB16)	15.2	13.4	11.2
Other	11.3	16.3	17.8
Underlying Cost of Doing Business⁴	70.1	85.8	117.4
<i>CODB %</i>	47.3%	44.1%	45.4%
Underlying EBITDA (Pre-AASB16)⁴	24.9	26.5	42.4
<i>Underlying EBITDA Margin</i>	16.8%	13.6%	16.4%
<i>Underlying EBITDA Growth</i>	25.2%	6.6%	59.8%
<i>Underlying EBITDA Margin (excl SBP)</i>	17.5%	15.1%	17.6%
Underlying EBIT (Pre-AASB16)⁴	20.9	20.7	36.0
<i>Underlying EBIT Margin</i>	14.1%	10.7%	13.9%
<i>Underlying EBIT Growth</i>	30.8%	(1.3%)	73.9%
<i>Underlying EBIT Margin (excl SBP)</i>	14.8%	12.1%	15.1%
Statutory NPAT	14.3	9.2	21.6
Underlying NPAT (Pre-AASB16)⁴	15.7	13.8	24.9

- Strong comp sales growth¹ in FY21 driven by ANZ online and a strong recovery in the US websites in the second half, as well as buoyant trading in stores
- Gross trading margin % improvement, particularly in the second half
 - Stronger product performance in the second half as consumer demand recovered in both ANZ and the US leading to a reduction in discounting
 - Store gross margins over the period improved compared to FY20
 - Smaller contribution from the lower margin Wholesale channel
 - Shift in mix to online channel had a downward impact on gross margins, given online channel gross margins are lower vs stores
 - Full year contribution from the lower gross margin Avenue business and addition of Evans in 2H FY21
- Underlying CODB as % of sales increased from 44.1% to 45.4%
 - Higher US logistics costs in 1H FY21 due to large temporary freight surcharges with disruptions and labour shortages resulting from the pandemic
 - Additional investment in advertising to drive customer base growth, with strict return hurdles for all advertising spend
 - FY21 spend includes full year of Avenue (vs 37 weeks in FY20) and 27 weeks of Evans (vs nil weeks in FY20). Includes introduction of direct mail campaigns to the Avenue store and lapsed customer base
 - Impacted by high Transition Services Agreement costs during the integration period for Evans
- Underlying EBITDA margin improvement to 16.4% and growth of 59.8%
 - Adjusting for AASB16 impact (negative \$0.8m), transition and transaction costs associated with executing the Evans acquisition (negative \$3.3m), costs associated with issue of shares in equity raising (negative \$0.2m) and other adjustments (positive \$0.2m)

1. Comparable sales exclude Wholesale and Online Marketplaces and the recent acquisition of Evans; includes Avenue from mid-October 2020 (one year from acquisition); excludes period of extended store closures due to Government-directed lockdowns. Calculated on a constant currency basis
2. Gross Trading Margin represents Sales Revenue less purchase and inbound-related costs of inventory
3. Fulfilment Costs represent warehousing and freight costs to deliver online sales
4. Underlying earnings adjusted for net expenses of \$3.3m, which include costs associated with the July-August 2020 equity raise and the acquisition of Evans, as well as other adjustments. No adjustment for the non-cash long term incentive share-based expense of \$3.2m in FY21 (\$2.8m in FY20)

IMPACTS ON FY21 SALES AND COSTS

TOPLINE SALES vs COMPARABLE SALES

- ⬆️ Additional 15 weeks contribution from Avenue vs FY20¹
- ⬇️ US marketplace and wholesale partner sales temporarily lost while partners managed through the pandemic; \$8.8m fall in partner sales vs FY20
- ⬇️ 14 holdover stores permanently closed in June 2020 as City Chic was unable to reach agreement with landlords on appropriate rents; no contribution in FY21 onwards
- ⬆️ Additional 27 weeks contribution from Evans vs FY20²; albeit at low levels given impact of limited stock (following administration), UK lockdowns and transition to new website and warehouse move

COSTS OF DOING BUSINESS

- ⬇️ Increased freight costs in 1H FY21, particularly in the US, due to large temporary freight surcharges and disruption caused by COVID-19
- ⬇️ Additional investment in advertising with spend of \$15.4m vs \$4.3m in FY20; addition of Evans and full year of Avenue, as well as increased investment to drive strong and high return customer acquisition opportunity
- ⬆️ Early action to realise cost efficiencies during COVID-19
- ⬇️ High Transition Services Agreement costs during integration phase of Evans acquisition

Appreciation of AUD during FY21 reduced AUD equivalent sales for the US operations and reduced AUD equivalent costs paid in USD for AU and US operations

The natural hedge with USD inflows and outflows resulted in no material FX impact on the group's earnings

CASH FLOW

A\$m: Continuing Operations	FY19	FY20	FY21
Receipts from customers	163.6	209.0	281.7
Payments to suppliers	(166.1)	(181.5)	(262.3)
Net interest, other revenue, grants	0.6	2.2	4.9
Income taxes	(1.9)	(4.4)	(9.2)
Operating Cash Flows	(3.8)	25.2	15.2
Capex (pre landlord contribution)	(8.1)	(5.5)	(6.6)
Payment for purchase, net of cash acquired	(2.5)	(25.7)	(40.2)
Sale Proceeds	31.1	-	-
Investing Cash Flows	20.5	(31.2)	(46.8)
Repayment of lease liabilities ²	-	(11.6)	(7.8)
Proceeds from / (Repayment) of borrowings	-	17.5	(17.5)
Dividends Paid	(9.6)	(2.9)	-
Net Proceeds from issue of shares	-	-	108.6
Financing Cash Flows	(9.6)	3.0	83.3

- Normalised Operating Cash Flow of \$24.2m for FY21 vs \$20.9m in FY20. Net normalisation adjustments of \$9.1m to the FY21 Statutory Operating Cash Flow includes:
 - Reclassification of rental payments to financing cash flows in relation to AASB16 of \$7.8m
 - JobKeeper grant received relating to prior period FY20 of \$1.4m
 - + Repaid deferred tax payments of \$3.7m from prior period (relief received due to COVID-19 in FY20)
 - + Cash outflows related to transaction costs of \$2.4m¹
 - + Working capital adjustment and finalisation of income tax associated with the 2018 divestment \$4.4m
 - + Building Evans' working capital to commercial levels \$7.9m
- Investment in the business and organic growth initiatives (primarily an investment in inventory) funded by strong operating cash flow
- Capex primarily relates to IT investment and new store roll-out
 - Capex presented does not include landlord contributions; capex net of landlord contributions was \$4.7m for FY21
- Equity raising of \$108.6m (net of costs) in July-August 2020 to strengthen the balance sheet and accelerate the company's global growth ambitions, both organically and inorganically
- Repaid borrowings of \$17.5m; \$40m debt facility remains undrawn
- Cash consideration paid for the acquisition of Evans in December 2020 for £22.7m (A\$40.2m) was funded with cash raised earlier in the financial year
 - Further investment in stock since acquisition to bolster assortment in the new UK market including the introduction of City Chic and Avenue

1. Transaction costs associated with the July-August 2020 equity raise and the acquisition of Evans
 2. AASB16 Leases which were effective from 1 July 2019; FY19 not re-stated

FINANCIAL POSITION

A\$m	28 Jun 20	27 Dec 20	27 Jun 21
Cash and cash equivalents	21.4	83.0	71.5
Inventories	38.1	48.7	67.0
Other	7.3	9.2	12.5
Current Assets	66.8	140.8	150.9
Property, plant, equipment	8.9	8.4	10.2
Right-of-use assets	22.3	18.4	22.4
Intangibles	39.2	75.9	75.6
Deferred tax asset	8.7	8.7	7.8
Non-current Assets	79.1	111.5	116.0
TOTAL ASSETS	145.8	252.3	267.0
Trade and other payables	37.5	47.5	41.9
Provisions and Other	9.0	8.8	13.0
Borrowings	-	-	-
Lease liabilities	9.2	8.7	9.3
Current liabilities	55.7	65.0	64.1
Borrowings	17.5	-	-
Provisions and Other	0.8	1.5	1.2
Lease Liabilities	18.0	14.3	18.8
Non-current Liabilities	36.3	15.8	19.9
TOTAL LIABILITIES	92.0	80.8	84.1
NET ASSETS	53.9	171.5	182.9

- Cash position as at 27 Jun 2021 of \$71.5m and nil borrowings. Since 28 June 2020, key non-operating movements in the cash balance include:
 - Received net proceeds from the Placement and SPP of \$108.6m
 - Acquired Evans for \$40.2m and rebuilt inventory position
 - Repaid prior year FY20 deferred tax payments of \$3.7m
 - Cash associated with working capital adjustment and finalisation of income tax associated with the 2018 divestment of \$3.8m
- Increase in inventory to drive global digital growth; driven primarily by acquisitions of Avenue and Evans
 - Evans stock was not at commercial levels at time of acquisition
 - Growth in global stock in line with growth of the online business and to support future growth; including stock for new global partnerships and conservative product stream entry in ANZ in early FY22
 - Higher stock in transit to mitigate against disruptions to shipping
 - Cleaner store inventory on a like-for-like basis
- Intangibles include acquisition of Evans in December 2020
- Right of Use Assets and Lease Liabilities relates to adoption of AASB 16
 - Increase in balance in FY21 due to opening new stores
- Given the organic and potential inorganic opportunities to accelerate growth, as well as the ongoing uncertainty caused by COVID-19, the Board has not declared a dividend for the period



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FY22 UPDATE AND OUTLOOK

FY22 UPDATE AND OUTLOOK

- In the first eight weeks of FY22, City Chic is pleased to advise that the company has continued to deliver strong positive top-line and comparable sales growth
 - Avenue continues to trade strongly, materially above pre-acquisition levels
 - Evans has rebounded strongly and is now trading above pre-acquisition levels
 - ANZ topline sales were in line with the prior corresponding period, despite the impact of temporary store closures. During the period an equivalent of 33% of trading days were lost, which has had an earnings impact of approximately \$1m per month in July and August. There continues to be uncertainty relating to the duration of the lockdowns in ANZ
 - Navabi is trading ahead of expectations and above FY21 levels, although noting the limited period since acquisition
- A number of marketplace partnerships to be live by September 2021 including Walmart (US), Debenhams (UK) and eBay (AU). Marketplace integrations are also underway for Very (UK), Zalando (Germany), Amazon (UK), Target (US) and The Iconic (AU), which are all expected to be live in 1H FY22
- Signed a partnership with David Jones in Australia for an Avenue/Evans concession in 14 stores and their online marketplace
- Expanded partnership with Alshaya Group to move towards a franchise arrangement for over 20 Debenhams stores in Middle East
- City Chic continues to see a reduction in cost of goods from the growing scale in production volumes. There have been ongoing increases in global shipping costs since the beginning of the pandemic; however, shipping costs have historically represented a relatively small percentage of the cost of goods for City Chic. Shipping delays mitigated by building more lead time into deliveries

Execute strategy to deliver the Collective's significant product range to the global plus-size market through its global digital and physical storefronts

Drive market share growth and customer acquisition in the US; execute on the Avenue re-engagement strategy

Gain market share in ANZ through the introduction of our conservative value product stream (Evans and Avenue)

Introduction of the collective's full assortment to the Evans customer base, building on the initial deliveries in 2H FY21

Integration of Navabi and introduction of wider product range to the European customer base

Expand and execute on marketplace partnerships in all regions

Continue rotation of store portfolio into new fit-outs & conversion to larger format stores

Further develop the World of Curves social community

Continue to review inorganic opportunities to accelerate global customer growth





IMPACT OF AASB16

AASB16 adopted from 1 July 2019

Profit & Loss (Continuing Operations¹)

A\$ million	FY21 Statutory Post AASB16	AASB 16 Impact	FY21 Pre AASB16	Underlying Adjustments ²	FY21 Underlying Pre AASB16 ²	FY20 Underlying Pre AASB16 ²	Variance \$	Variance %
Sales	258.5	-	258.5	-	258.5	194.5	64.0	32.9%
Purchase & Inbound-related Costs of Inventory	(98.7)	-	(98.7)	-	(98.7)	(82.2)	(16.5)	20.1%
Gross Trading Profit	159.8	-	159.8	-	159.8	112.3	47.4	42.2%
Cost of Doing Business	(112.8)	(7.8)	(120.7)	3.3	(117.4)	(85.8)	(31.6)	36.8%
EBITDA	47.0	(7.8)	39.1	3.3	42.4	26.5	15.8	59.8%
Depreciation & Amortisation	(14.4)	8.0	(6.4)	-	(6.4)	(5.8)	(0.6)	9.6%
EBIT	32.6	0.1	32.7	3.3	36.0	20.7	15.3	73.9%
Net Finance Cost	(1.1)	0.7	(0.4)	-	(0.4)	(0.5)	0.1	(26.2%)
Profit Before Tax	31.5	0.8	32.3	3.3	35.6	20.1	15.4	76.6%
Income Tax Expense	(9.9)	-	(9.9)	(0.8)	(10.7)	(6.3)	(4.4)	68.0%
Net Profit After Tax	21.6	0.8	22.4	2.5	24.9	13.8	11.0	80.6%

Balance Sheet

Recognised Right of Use Assets of \$22.4m and Lease Liabilities of \$28.1m as at 27 June 2021

Cash Flow

No impact on net cash flow. Rental payments previously captured in operating cash flow replaced with repayment of lease liability in financing cash flow.



EARNINGS RECONCILIATION

A\$ million	Continuing		Discontinued		Group	
	FY20	FY21	FY20	FY21	FY20	FY21
Underlying EBITDA	26.5	42.4	-	-	26.5	42.4
Depreciation & amortisation	(5.8)	(6.4)	-	-	(5.8)	(6.4)
Underlying EBIT	20.7	36.0	-	-	20.7	36.0
Net Interest expense ¹	(0.5)	(0.4)	-	-	(0.5)	(0.4)
Underlying NPBT	20.1	35.6	-	-	20.1	35.6
Taxation on Underlying NPBT	(6.3)	(10.7)	-	-	(6.3)	(10.7)
Underlying NPAT	13.8	24.9	-	-	13.8	24.9
Transaction-related items & adjustments	(1.6)	(1.0)	2.6	-	1.0	(1.0)
Transition Costs	(0.8)	(2.3)	-	-	(0.8)	(2.3)
AASB 16 impact ²	(0.1)	(0.8)	-	-	(0.1)	(0.8)
Other ³	(0.9)	0.0	-	-	(0.9)	0.0
Underlying Adjustments	(3.4)	(4.1)	2.6	-	(0.8)	(4.1)
Taxation on Underlying Adjustments ⁴	(1.2)	0.8	(2.1)	-	(3.3)	(0.8)
Statutory NPAT	9.2	21.6	0.5	-	9.7	21.6

1. Group net interest expense allocated to continuing operations

2. Detailed reconciliation on slide 28

3. Other includes FX gains on intercompany settlement and subsequent release of a provision relating to the Avenue acquisition

4. Taxation adjustment in FY20 also includes one-off impact on effective US tax rate

ETHICAL TRADE UPDATE

We welcome the new opportunities and recognise the challenges that come with the growth of brands and the diversification of our supply chain. Our goal is to work together with all our global partners for a more positive impact to people and planet.

Our FY21 Highlights

Published our first Modern Slavery Act Statement

Achieved 'Green' Rating in the COVID-19 Fashion Report

Rolled out Worker Surveys (Top 24 Factories)

Tracing of Tier 2 & 3 Suppliers in-progress

Updated and strengthened our Cotton Regions Ban

city chic collective

We commit to source product in a recognised, responsible, and transparent supply chain

We continue to act on key issues such as the forced labour risks associated with certain cotton farming regions.

We have mandated the ban of cotton/cotton goods from the following regions:

1. Xinjiang Uyghur Autonomous Region
2. Turkmenistan
3. Uzbekistan

CCX is committing to take steps to try and ensure our supply chain does not source directly or indirectly from known regions that openly engage in the use of forced labour, in line with our responsibilities under the UN Guiding Principles on Business and Human Rights.

Managing & Reducing our Footprint

Our current focus is on those areas where we believe we can help create more positive impact, including:

- more sustainable packaging options
- sourcing more sustainable / preferred fibres for our product
- reviewing options to extend the life of garments, to work towards a more circular economy
- providing options to reduce micro plastics in our oceans.

Working together to empower our workers and give them a voice in the supply chain

As part of our Worker Voice Program, we were excited to launch our worker survey tool out to all factory workers as a pilot alongside our Factory social audits.

The survey is in addition to our worker hotline and grievance mechanism as another channel to talk to factory workers.

WORKER SURVEY SCORECARD

- ✓ Modern Day Slavery - 93% positive
- ✓ Labour Practices - 89% positive
- ✓ Health & Safety - 95% positive
- ✓ Worker Satisfaction - 89% positive

We care for the environment and the management of waste in our supply chain

Our audits include Environmental and Waste Management checks for

1. Legal Authorisations - such as the EIA
2. Solid & Hazardous wastes
3. Wastewater, Air Emissions and Noise
4. Energy & Water reductions

Right of every worker in our supply chain to enjoy safe and healthy working conditions in an environment where they are not exploited

Following the acquisition of new brands and our continued diversification of sourcing regions, our focus has been on embedding selected new factories and vendors into our supply chain and our ethical trade policies.

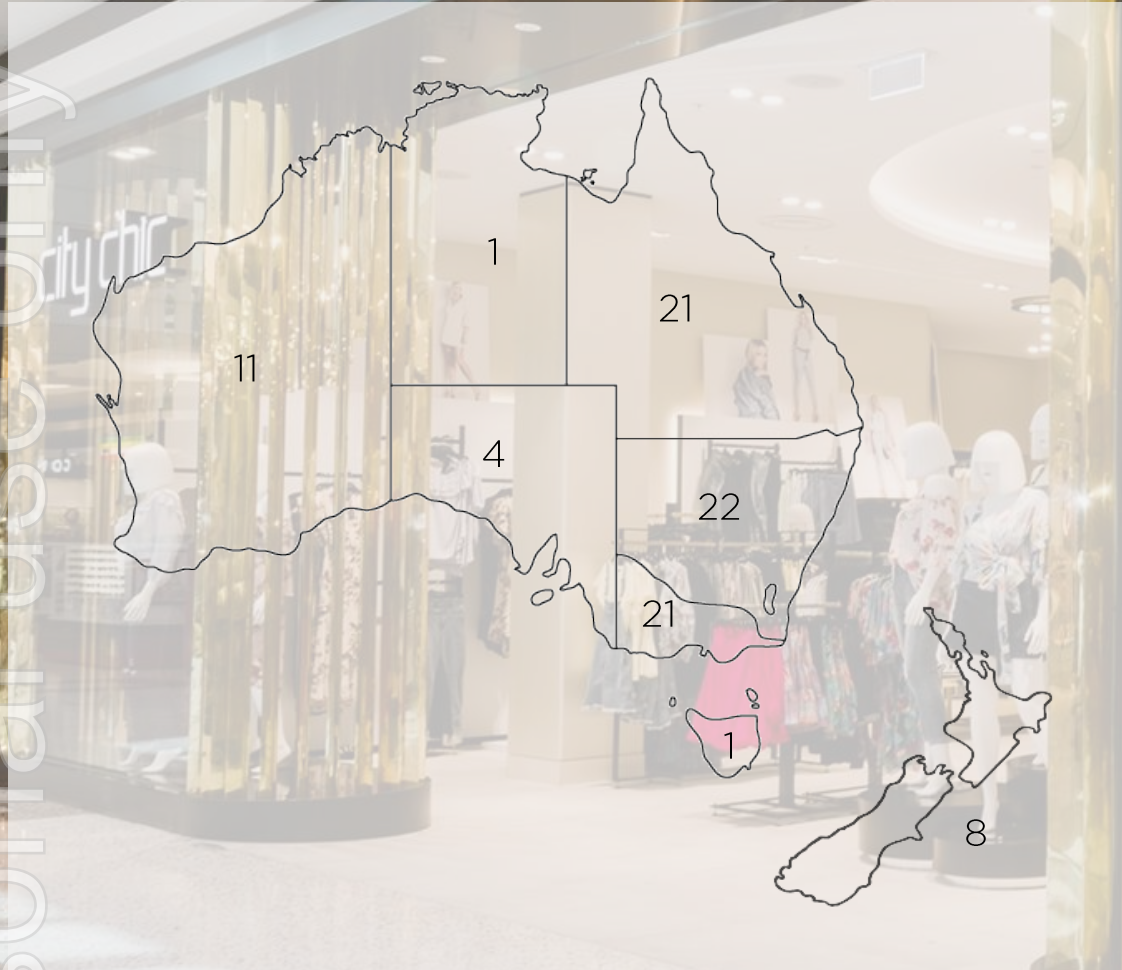
All new suppliers have been onboarded into our ethical trade program. We audit the factories, and assign a risk rating to help prioritise all factory corrective actions required.

Working with factories to recognise that a minimum wage does not always equal a living wage

We partner with our factories to implement a plan to work towards paying a living wage so that workers are on a path to earning an income that covers their basic family living expenses which for many is higher than what a minimum wage can afford.

We have established an internal Living wage Tracker which we monitor closely to track our Progress.

STORE NETWORK



- 89 stores as at the end of June 2021
- Portfolio rotation to newer fit-outs in FY21: 12 new stores opened, 16 closures; 3 relocation to a larger format site
- 7 larger format flagship stores with average footprint of c.220m²
- 21 newer stores in the 'Gold' look design and with a larger footprint of c.150m² on average compared to historic smaller format stores of c.100-120m²
- Focus on in-store experience with enhanced store environments and migration to larger footprint sites – stores that are representative of the City Chic brand and support the omni-channel experience for the loyal customer base
- Very few old fit-outs remaining in the portfolio
- Over 10 stores currently planned to open or relocate to improved sites in FY22

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