city chic collective

ASX ANNOUNCEMENT

17 November 2021

City Chic Collective 2021 Annual General Meeting
Chair and CEO Address

Please find attached the following documents, which will be presented at the 2021 Annual General Meeting of City Chic Collective Limited, which commences at 10:00am (Sydney time) today:

1. Copy of the 2021 AGM addresses
2. Copy of the accompanying presentation

Ends

The release of this announcement was authorised by the Board.

Chairman's Address

The 2021 financial year saw little respite from the effects of COVID-19. On again, off again trading conditions together with impacts on demand and the supply chain meant the company had to adapt and innovate its business model to ensure ongoing sustainability and profitable growth. In circumstances where planning and anticipating the future was almost impossible, a lot was asked of City Chic team members. Under the calm yet determined leadership of our CEO and executive team, our people performed superbly. The company not only recorded strong profitable growth but also, materially diversified its geographic footprint, expanded its range, invested in the future and made good progress towards our vision of leading a world of curves.

Here are some of the highlights of FY21:

- Sales Revenue grew by 32.9% and comparable sales growth (CSG) was 31.6%
- Underlying EBITDA grew by 59.8% to $42.4m Pre-AASB16 (16.4% margin) and $50.2m PostAASB16
- Statutory NPAT from continuing operations was $21.6m (135.3% growth), and Underlying NPAT of $24.9m (80.6% growth)
- Normalised operating cash flow of $24.2m (FY20: $20.9m)
- Global customer base growth of 61% YoY to 1.07m active customers
- Global customer website traffic growth of 68% YoY to 58.1m visits
- Online sales growth of 49.3%, with 73% online penetration
- Sales outside of ANZ totalled 44.1% of group revenue
- Signed new partnerships with Next, Curvissa, Freemans, HBC, Debenhams, Very, Zalando, Amazon, Walmart, Target, Ebay, David Jones and The Iconic
- Strong balance sheet with net cash of $71.5m at 27 June 2021 and undrawn debt facility of $40.0m; completed $111.1m equity raise in July-August 2020
- Completed strategic acquisitions of plus-size brand Evans in the UK in December 2020 and European plus-size online marketplace Navabi in July 2021
- Commenced the process of diversifying our supply chain to offset the concentration risk in China
- Developed and trialled new product segments and lifestyle ranges using brands that include: Refinity, Arna York, Societie+, Zim and Zoe, Aveology.
- Continued to develop and trial our online "world of curves" marketplace for plus size for all our brands.
- Further development of our ESG/ethical trade program.

Phil Ryan, our CEO will provide further details but, as can be seen, notwithstanding the complexity and uncertainty posed by the pandemic, FY2021 was a very busy and productive year. Management has succeeded in simultaneously preserving and expanding the core of the business whilst also investing in future income streams. Importantly, these new developments have the double benefit of adhering to our strategy of operating purely within the plus-size market and yet at the same time diversifying concentration risk, both geographically and from a product perspective.

The impacts of COVID-19 were managed through our geographical scope which protected us from rolling lockdowns and economic disruption as the timings of those disruptions were different between Northern and Southern Hemispheres and as between individual countries and states. Our increased range and efficient supply chain allowed us to pivot between the products our customers were seeking at various times during the pandemic. In lockdowns we could move away from party dresses and work wear, to casual, intimates and "zoom-wear".

As shareholders are aware, the Australian stores suffered during the rolling lockdowns, particularly in Victoria and more latterly in NSW. However, each time they reopened the response from customers was very strong indeed, with high double digit comparable sales. In the meantime, our customers were buying online and our expanded ranges allowed us to deliver to her what she wanted, when she wanted and at the right price point.

Avenue has proved to be a very good acquisition. Not only has it given us a higher profile in our biggest market, but also it has allowed us to introduce our other brands to US customers. This has been extremely well received and we are delighted with the way our business is developing in the USA. We have only just begun and we see a very substantial runway of growth opportunities in this USD49bn market. Continuing to develop our US business both organically and inorganically are key priorities for us.

FY21 saw another important milestone in our journey to leading a world of curves. In December 2020 we purchased the Evans business in the UK. Evans has been a retailer of plus sized women's wear for almost 100 years, both through high street shops and more recently online.

We only acquired the Evans brand, eCommerce and wholesale businesses, and Evans stores were closed. The business was somewhat run-down when we acquired it, having been part of the Arcadia Group which slid into administration in November 2020. The second half of FY21 was spent transitioning the business from Arcadia systems and warehousing into our group. We also started the process to build back run-down inventory and increase the range available to customers. In this sense, the task has been very similar to that in Avenue. The early signs in Evans have been promising and our success in revitalizing Avenue and getting customers to accept it as online only gives us confidence we can restore Evans to its former position and establish ourselves as a leader in the UK world of curves. We are also introducing the other brands in our collective to UK customers through the Evans 'world of curves' website/marketplace.

Evans also sells a small amount of product to other countries in Europe and in the Middle East and we see an opportunity through our product mix to grow the business meaningfully in these regions, as well as through our City Chic and Avenue websites/marketplaces in USA and Australia.

One transitory caveat around the Evans results is the well publicised labour shortages in the UK, particularly in transport and logistics. This has certainly impacted our ability to get goods into the country, into the warehouse and into customers' hands. In the early months of FY22 (in particular July and August) we had been building up stock for the Evans business and we were pleased with its performance. The impact of labour shortages, however was felt throughout September, October and into November, impacting our ability to continue rebuilding inventory as we had initially planned to, and as such, the performance of Evans will be below our expectations until these issues can be resolved. Phil will provide further detail.

In July 2021 we acquired Navabi, a marketplace business in Europe, domiciled in Germany and serving mostly German customers. The Navabi integration is proceeding as planned and the initial read on the loyalty of this customer to the marketplace is pleasing. The inventory levels will take time to rebuild and in the short term we will re-position global inventory to Europe. Navabi's loyal customer base is focused on size, fit and quality. Navabi's websites had 5.8m customer visits in 2020, generating €10.4m (A$16.6m) in sales revenue, and pre-pandemic traffic exceeded 10m visits. Navabi is an important beachhead for us in Europe and we will further develop this marketplace with all our brand offerings and seek to expand its predominantly German geographical scope to cover the rest of Europe. Growing the European business organically and inorganically is a priority in our quest to lead a world of curves.

Financial Position and Dividend

City Chic's net cash position at 27 June 2021 was $71.5m with no debt drawn under the existing $40m debt facility which matures in February 2023.

City Chic completed an equity raising of $111.1m in the first quarter to strengthen the balance sheet and accelerate the company's global growth ambitions. This comprised of, in July 2020, a fully underwritten $80.0m Placement of new fully paid ordinary shares to eligible institutional investors conducted at $3.05 per share. Following the completion of the Placement, in August 2020 City Chic offered all eligible shareholders the opportunity to participate in a non-underwritten Share Purchase Plan (SPP). City Chic raised $31.1m through the SPP, also conducted at $3.05 per share. A total of 36.4 million new shares were issued through the Placement and SPP.

A cash payment of $40.2m was made for the acquisition of Evans on 23 December 2020. The cash payment of $9.6m for the acquisition of Navabi on 23 July 2021, was post FY21 year end and therefore not reflected in the ending cash balance of $71.5m.

Given the opportunities to accelerate the growth of the business, as well as the ongoing uncertainty caused by COVID-19 around the world, the Board decided not to declare a dividend in respect of FY21. The decision whether to pay a dividend will be reviewed at the interim FY22 results. In view of the opportunities and also the risks caused by COVID-19, as well as the impacts of macroeconomic conditions such as labour shortages and flow on impacts to logistics, City Chic will remain focussed on sensibly deploying capital to achieve its strategic intent of gaining a strong global market position in a sector that, at least for now, is under-served.

FY22 Outlook

As has been well publicised, there are a number of external uncertainties in the market, such as labour shortages and impacts to logistics and supply chains. To help mitigate the risk of COVID-affected sourcing and logistics, we took the decision to build up our inventory to higher levels than we would ordinarily carry. This has proved to be the right decision as (subject to the issues peculiar to the UK) we do not foresee any material stock shortages in the important period leading into Christmas. We will continue to hold higher inventory levels until the sourcing and logistics issues settle down. Phil will provide further details. Additionally, you would be aware of instances of power outages in China, which thus far, haven't impacted our business in any significant way.

Notwithstanding the ongoing uncertainty caused by the pandemic and macro conditions, with geographic and channel diversification, a strong inventory position, loyal customers who like to buy online, and a focus on executing on the long-term plans for the business, we believe City Chic is well positioned to navigate the conditions and capitalise on the recovery.

Although Australia has been impacted by temporary store closures, stores which have been open combined with the online channel have in aggregate delivered comparable sales growth on the prior corresponding period. With high vaccination rates in Australia and greater political will to keep the economy functioning, we are hopeful that all channels will remain open for the important run into Christmas and that we have seen the last of the COVID-19 related lockdowns.

Avenue is trading strongly at above pre-acquisition levels. Evans has had a mixed performance so far, after a strong July - August we have seen supply challenges into the balance of the half. Navabi is now live in our systems and it remains too early to get a true read noting the limited period since our acquisition, however we are excited by the opportunity to bring our full product offering to the EU market.

With all the developments in the northern hemisphere, the seasonality of our trade and earnings is changing with second half earnings expected to be stronger than first half earnings for FY22. Phil will provide more detail about this change which reflects, amongst other things, the growth of our US operations and store closures during H1.

We are now live with a number of marketplace partnerships including Walmart (US), Ebay (AU) and Very (UK) . Marketplace integrations are underway for DJs and The Iconic in AU, Debenhams and Amazon in the UK, Zalando in Germany and Target in the US. These are all expected to be live in FY22. City Chic has also signed a partnership with David Jones for a concession in 15 stores, 7 of which are now open. We have also signed a partnership for over 30 Debenhams stores in the Middle East, which are also expected to launch in FY22.

In summary, in the current uncertain circumstances, our business is performing well. New runways of growth are being developed geographically, as well as through product expansion and additional partner channels. We are pleased with the development of our marketplaces which are an important part of becoming a destination for our customer where she can find multiple brands and products to satisfy her needs, whether at home, work or play.

Accordingly, in the absence of further material disruptions, we believe this will be another year of energetically progressing our strategic intent and delivering profitable growth.

Ladies and gentlemen, FY21 was a difficult but satisfying year for City Chic. The company and its people demonstrated adaptability, innovation, strategic intent, operational execution and resilience in a world beset with a virus that prevented travel, limited social interaction and impaired the ability to do business. We hope the worst of the virus is behind us, but it is a virulent and unpredictable disease so we remain vigilant, prepared for the worst and ready to adapt to whatever circumstances arise.

Come what may, we believe we can continue to grow profitably, invest for the future and progress towards leading a world of curves. This would not be possible without the wonderful City Chic Collective team and the customers we serve. Our sincere thanks for their extraordinary and ongoing support. It gives us energy and makes us even more determined to make this company a global success.

CEO's Address

Thank you Michael, and Good Morning, Ladies and Gentlemen.

I would like to add my welcome to you all to the 2021 AGM.

I would like to start with welcoming Nat and Neil to the Board. I have known Nat for over a decade and she is an exceptional retailer. In her short time on the Board she has added an incredible amount of value, and her current global retail experience through her executive role at Cotton On will be a great resource for us into the future. I have not known Neil as long, however his impact in a short time is equally as impressive, and he brings a very complementary skill set to the rest of us on the Board.

I would also like to welcome Peter as our CFO elect. When I first met Peter he told me a story about early in his career at Woolworths when he was walking the floor of a store with the store manager. The manager asked him what he thought of the store, Peter replied the deli had too much floor space for sales. That's when I knew I had a match. An experienced public markets CFO with a strong operational background, with international, logistics and M&A experience, but at heart, a retailer.

Our strategic vision is to lead a world of curves. In the last twelve months we have taken huge steps towards this despite the impacts of the pandemic.

We have remained focused on the three strategic pillars of plus-size, digital and global customer acquisition and on these measures we have delivered.

As at the end of October, we are 78% digital with over 1.2 million global active customers in the plus size market, and our global traffic is now over 65 million visits a year.

We have strong digital store fronts and partner relationships in our three key regions of ANZ, the Americas and UK/EU. We have commenced partner trials in Canada and the Middle East.

We now have over 5,000 active products in our business across varying lifestyles, brands and price points. Our business is structured with four product streams.

- Fashion, led by City Chic
- Conservative, led by Avenue / Evans
- Intimates
- Shoes

Each of these streams has other sub brands that represent lifestyles to give the design team a creative brief on the segment price point and lifestyle we are targeting. This is our 'World of Curves'.

To achieve our vision and lead a world of curves, our strategy is to get all of our product mix across as many eyes as we can, through our digital store fronts and partners all around the world.

We are a digital global retailer with an EBIT percentage in the teens.

Ethical sourcing is very important to me and to our business. I am proud of our achievements in FY21, which include:

- We published our first Modern Slavery Act Statement
- We achieved 'Green' rating in the Covid-19 Fashion Report
- We rolled out worker surveys – Top 24 factories and almost 7,000 workers with an 89% worker satisfaction

- We began tracing of Tier 2 & 3 suppliers
- We updated and strengthened our cotton regions ban – and we are looking to introduce cotton DNA testing so we know the origin of our cotton
- We managed to trace our first cotton to a farm, it's a small step but a big one for us
- All of our online bags are recyclable, and we are working towards using recycled materials for these bags
- We have commenced using sustainable fibres in certain ranges including recycled polyester and certified viscose.

FY22 has continued to throw pandemic related challenges and shows how important an online and geographically diversified business is to deliver consistent growth. We have still managed to achieve a lot as Michael has outlined.

The most pleasing achievement for me is the performance of the City Chic or fashion stream of our product mix in the USA through the Avenue website or location. Allowing the customer to discover and get used to this product, and us learning what she wants, has taken us 3 seasons to refine. Avenue now sells more City Chic or fashion product than any other channel in the USA. I say this, as this is our strategy, to get all of our product across as many eyes as we can. Avenue traffic is huge and the addition of our fashion stream of product has increased conversion, traffic and basket size and gives me great confidence in our strategy. It just takes a little time to learn about each customer and adjust product mix accordingly.

Our online marketplace strategy to profitably get our product in front of more eyes globally has progressed well so far in the new financial year, with new partners being integrated and launched monthly.

We now have all stores open and trading well leading into the busiest time of the year. With store closures, we lost 37% of all trading days and the cost to our earnings, as foreshadowed at the full year results in August, was around $1 million per month. We now trade in 90 stores with 3 new store openings, 3 conversions to larger format, 2 closed older format stores so far in FY22. My aim is to get all of our store fleet to the new format within 2 years and we will continue to close stores where the right rents cannot be achieved.

However, as Australia starts to recover there is a rise in COVID cases in the UK and Europe and in the USA numbers are still high leading into winter. Managing this uncertainty is the new normal and the leadership team at CCX has shown an amazing ability to adapt and move with our customer. I am very grateful for all the hard work each of them have put in, and together we are ready for any challenge we may face.

Moving to outlook for FY22:

We have achieved strong total revenue growth and comparable sales growth so far in FY22.

Despite the ongoing disruption across the business from the pandemic, our collective continues to track to plan for the full year in FY22.

Stores in NSW and Victoria have traded well since reopening, and online continues to grow at historical levels in ANZ. The reopening of our stores has not slowed the strong performance and growth of online.

The USA is our biggest market and growth is strong. Avenue.com is above pre-acquisition levels. This has been delivered through improvements within the Avenue product range and the introduction of the broader City Chic and World of Curves assortment. City Chic US online location has also delivered strong growth on last year.

The UK and EU have been a lot more volatile. As I mentioned at the start, it seems the pandemic is impacting Europe at an increased level again. This shows the volatility there is globally and the importance of geographic diversification.

July and August in the UK were strong as the build of seasonally appropriate stock was doing well. In September the progress of the inventory build was materially impacted by labour shortages and logistics issues which impeded us getting autumn/winter product to the customer. As Michael mentioned this product had been planned and purchased and was either in market or in a container and we were unable to handle it to be ready to send to customers. From this we pulled back on marketing and driving traffic as I know conversion would have dropped.

Notwithstanding these issues, Evans has still traded higher than last year so far in the first half, but below FY20 numbers. Growth moderated into autumn/winter due to the temporary supply chain delays that impacted the ramp up of seasonally appropriate stock.

The logistics challenges also delayed the growth potential with partners including Zalando and Debenhams as well as our Navabi site. This is because inventory in the short term was handled through the UK as we only opened the EU warehouse in August following the Navabi acquisition.

This is a transient situation, and we are working with our logistics partner in the UK to find solutions so we can get back on track with the UK and EU expansion plans through the Navabi and Evans websites and partners.

We commissioned a third party to survey the plus size market in the UK, to better understand customer perceptions. In this survey “Evans” had the highest awareness amongst all respondents, however the preference to shop and purchase dropped off due to assortment, not dissimilar to our experience in Avenue. This is exciting for me as I know we can fix the assortment in time, and the market know Evans, something much harder to achieve.

Pleasingly the integration of Navabi onto our systems has been completed in full, ahead of schedule, and we have moved to a larger logistics facility to allow for growth. It is too early to get a fulsome read on the customer, as we learnt from Avenue it really takes 3 seasons to know who she is.

We have some of the biggest weeks of the year coming up with Black Friday, Cyber Monday and Christmas all in the next 6 weeks. In our two biggest markets, the US and Australia, we have the inventory ready to drive the performance and there is strong momentum heading into the period. In the UK and EU, as outlined earlier, we are not in an inventory position to capitalise on the upcoming trade, although we expect the region to trade profitably and note this market is a relatively small percentage of our global business at this stage.

The earnings split in FY22 will be different from historical trends as our business evolves, with second half earnings expected to be stronger than first half earnings in FY22 for the first time. There are a few key reasons for this:

- Impact of temporary store closures in 1H
- Further development of recently acquired businesses Evans and Navabi into the second half
- Ramp up of marketplace partners in the 2H
- Conservative product stream growth into ANZ will increase in the second half with a greater inventory build
- An ongoing shift of sales to the US and UK, which is seasonally stronger in the second half with spring/summer

Global shipping continues to be a challenge. We are taking actions to mitigate the risks around this from a cost and timing perspective. On a cost level, our increased volumes have resulted in greater buying power and lower input costs. And at a timing level, we have added an additional two month's lead time into shipping and production to ensure that garments are in market when required. This will lead to an inventory build of around two month's COGS on current levels to ensure continued growth.

We are also growing inventory in line with sales in our established markets and have work to do in the UK and EU on inventory build to achieve the potential in these markets.

I would like to finish by thanking two very important people, Michael Hardwick and Munraj. Both of you have been on this journey with me from the start and have shared the ride that CCX has been for me. Together, following the divestment of 5 other brands from SFG, we grew CCX to be a $1.5 billion company. An achievement I am very proud of and you have both been a huge part of.

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LEADING A WORLD OF CURVES

ANNUAL GENERAL MEETING

17 November 2021

YOUR BOARD OF DIRECTORS

MICHAEL KAY
Chairman
Non-Executive Director

MICHAEL HARDWICK[1]
Non-Executive Director

MEGAN QUINN
Non-Executive Director

NEIL THOMPSON
Non-Executive Director

NATALIE MCLEAN
Non-Executive Director

PHIL RYAN
Managing Director, CEO

1 Michael Hardwick will resign with effect from the end of the Annual General Meeting held on 17 November 2021.

CONTENTS

Michael Kay, Chairman

Phil Ryan, CEO

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CHAIRMAN’S ADDRESS

Michael Kay

FY21 RESULT HIGHLIGHTS

$258m
Global Sales
Australia, New Zealand, USA, Canada, UK, Europe, Middle East

73%
Online Sales Penetration[2]

1.07m
Active Customers[3]
407k Net New Customers
61% YoY Growth

58.1m
Website Traffic[5]
68% YoY Growth

32.9%
Top-line Sales Growth

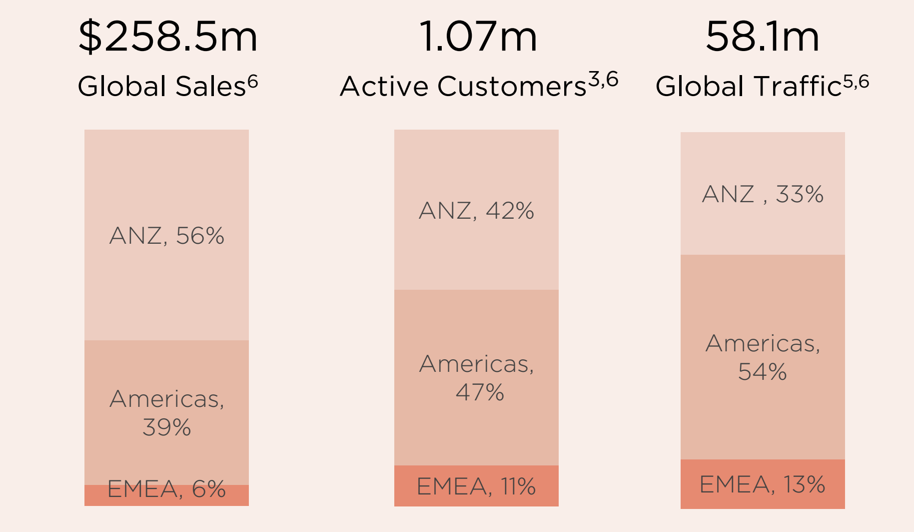
31.6%
Comp Sales Growth[1]

44%
Sales Revenue outside ANZ

$42.4m
Underlying EBITDA[4]
59.8% YoY Growth
16.4% Margin

$36.0m
Underlying EBIT[4]
73.9% YoY Growth
13.9% Margin

$24.9m
Underlying NPAT[4]
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.
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 UK, Europe, Middle East and Africa

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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

2

CEO'S ADDRESS

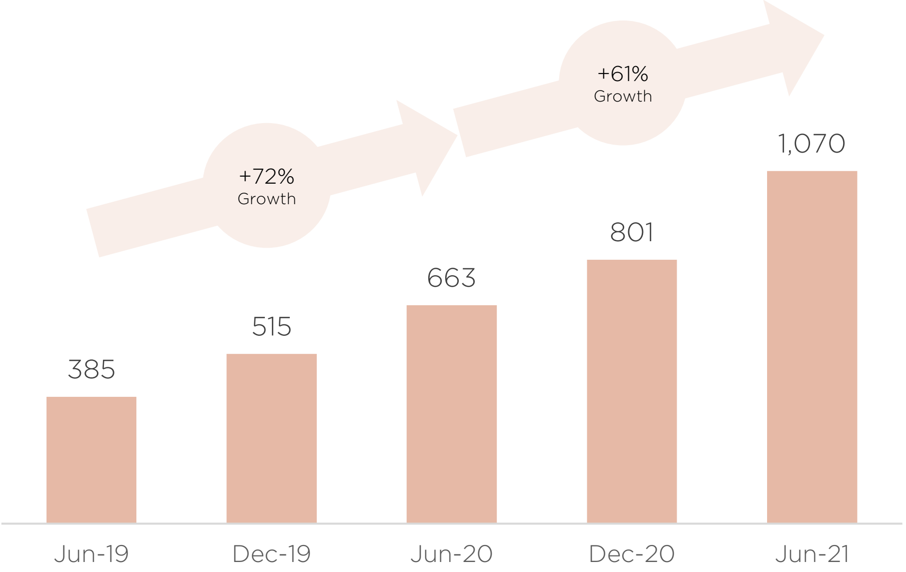

avenue
CCX
EVANS
Hips & Curves
FOX&ROYAL
CLOUDWALKERS
city chic
navabi
city chic collective

FY21: CUSTOMER-FOCUSED GROWTH STRATEGY

Plus-size focus, global customer base growth, digital

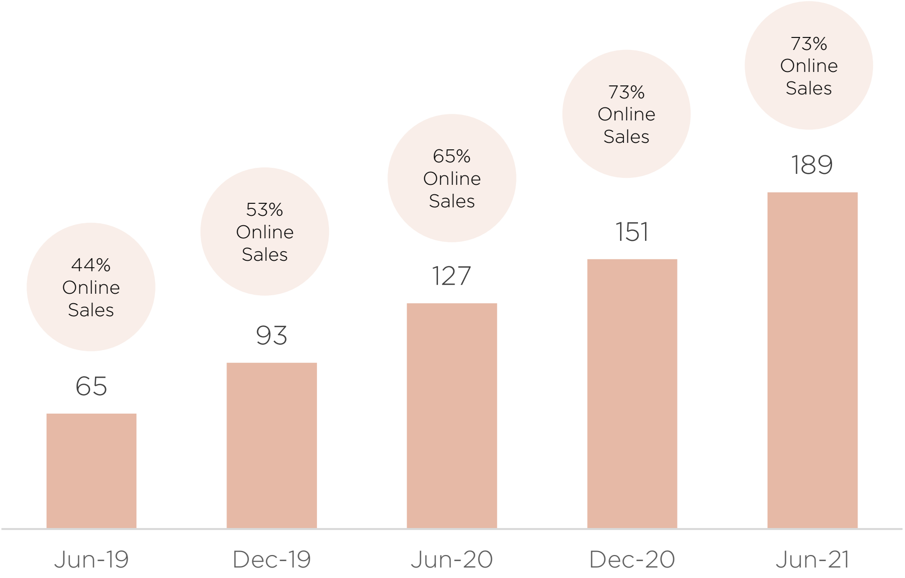
GLOBAL CUSTOMER BASE GROWTH

Customer Numbers[1] '000



INCREASED ONLINE PENETRATION

Rolling 12-month Global Online Sales[2] $m



- Active customers increased from 663k to 1,070k in the 12 month period 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)

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

1. Active customers include customers who have shopped in online, stores and omni-channel in the last 12 months; excludes wholesale and marketplace customers
2. Online represents websites and online marketplace sales

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, conversative, intimates

$180bn annually[1]

GLOBAL DIGITAL STORE FRONTS

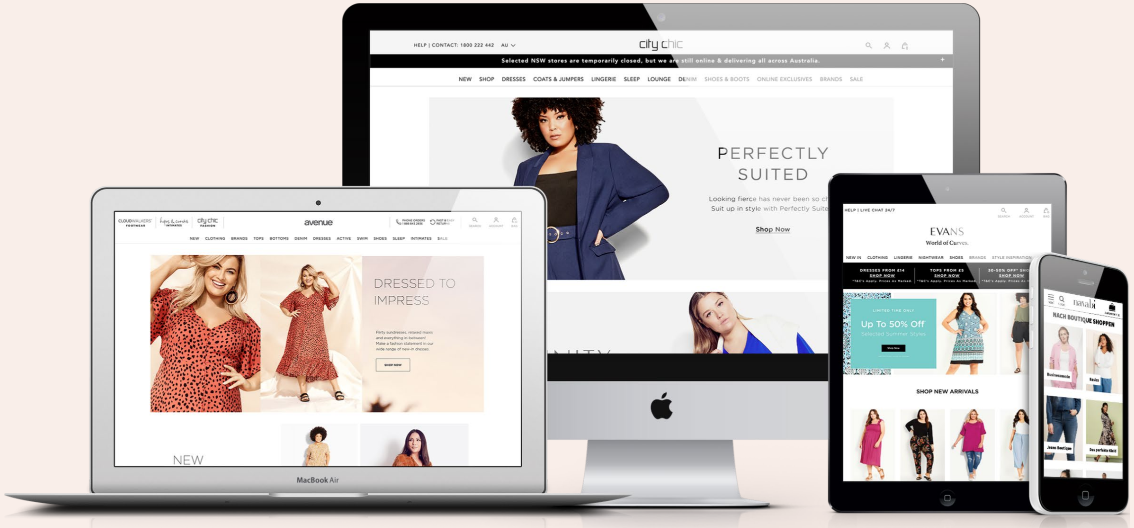
city chic avenue
EVANS navabi

& Partners + Stores

GLOBAL PRODUCT RANGE

5k+ STYLES

15+ BRANDS[2]



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

FY21: 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

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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.

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

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.

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.

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

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.

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FY22 UPDATE AND OUTLOOK

OPERATIONAL UPDATES

- Launched conservative product stream in Australia through World of Curves in David Jones stores, as well as Citychic.com.au
- In FY22 to date, a number of partners have been launched including Walmart (US), Nordstrom (Canada), Ebay (AU) and Very (UK)
- Navabi integration completed with new website launched end of September; limited stock direct from suppliers to date and stock on track to be built to commercial levels by early 2022
- 90 stores as at November 2021; year to date 3 new store openings, 3 conversions to larger format, 2 closed older format stores
- All Australian and New Zealand stores have reopened after government directed lockdowns due to the pandemic; 37% of lost trading days across the store portfolio year to date; as foreshadowed at the FY21 full year result, the impact to earnings was around $1 million per month
- Inbound shipping costs globally remain elevated and ongoing delays along the supply chain

TRADE UPDATE AND OUTLOOK

- Strong comparable sales growth (excluding impact of temporary store closures) has continued into FY22. Despite the ongoing disruption across the business, the group continues to track to plan for FY22
  - Stores in NSW and Victoria have experienced strong growth since reopening after temporary lockdowns, and online continues to grow strongly in ANZ
  - Avenue.com continues to deliver strong growth on last year and above pre-acquisition levels, delivered through the Avenue brand and the broader City Chic and World of Curves assortment
  - City Chic US online recovery continues with strong growth on last year
  - Evans has traded above last year, but below FY20 levels, for the year-to-date, with growth moderating into autumn/winter due to heightened supply chain delays and logistics issues in the UK impacting the ramp up of seasonally appropriate stock
- Critical trading period ahead includes Black Friday, Cyber Monday and Christmas; supply lead time buffers have effectively mitigated supply chain issues and we are well stocked in the US and ANZ
- 2H earnings are expected to be stronger than 1H earnings in FY22
  - Impact of temporary store closures in 1H
  - Further development of recently acquired businesses Evans and Navabi into 2H
  - Ramp up of marketplace partners in the 2H
  - Conservative product stream growth into ANZ will increase in 2H with a greater inventory build
  - An ongoing shift of sales to the US and UK, which is seasonally stronger in the 2H with spring/summer.

FY22 FOCUS

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

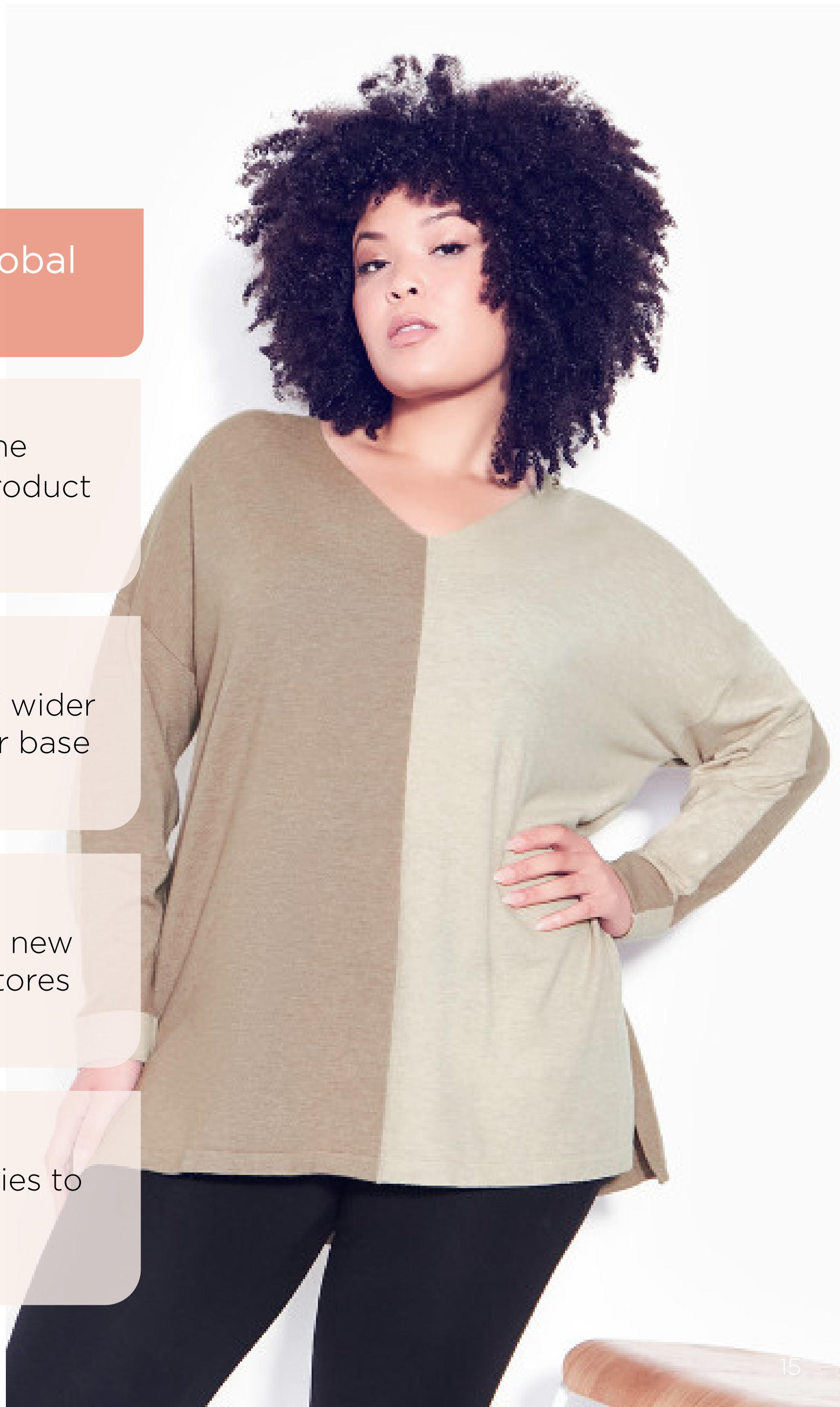
Integration of Navabi and introduction of wider product range to the European customer base

Expand and execute on marketplace partnerships in all regions

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

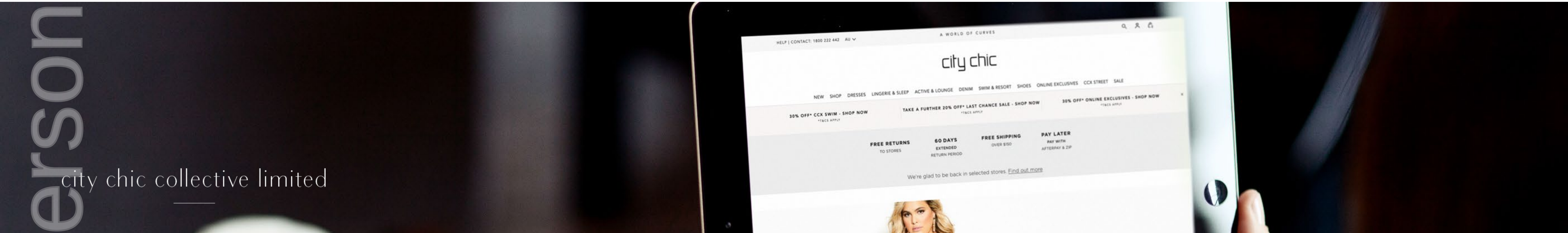
Further develop the World of Curves social community

Continue to review inorganic opportunities to accelerate global customer growth



2021 AGM proxy summary as at proxy close

Resolution	For	Open	Against	Abstain
1. Adoption of the Remuneration Report	155,246,231 98.29%	211,448 0.13%	2,497,448 1.58%	1,075,025
2. Re-election of Director – Mr Michael Kay	158,619,246 99.67%	208,326 0.13%	323,068 0.20%	384,348
3. Election of Director – Mrs Natalie McLean	158,939,062 99.85%	215,326 0.14%	22,469 0.01%	358,131
4. Election of Director – Mr Neil Thompson	158,924,271 99.84%	215,326 0.14%	35,422 0.02%	359,969
5. Renewal of proportional takeover provisions	158,518,792 99.60%	261,954 0.16%	370,424 0.23%	383,818



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