

A woman with long dark hair is sitting on a large, weathered rock on a sandy beach. She is wearing a one-piece swimsuit with a bold, colorful geometric pattern in shades of pink, purple, and black. She is looking down and to her right, with her hand near her hair. The background shows the ocean with gentle waves and a large rock formation on the left. The overall scene is bright and sunny.

city chic collective limited

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LEADING A WORLD OF CURVES

**ANNUAL GENERAL MEETING**

21 November 2019

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CHAIRMAN'S ADDRESS  
Michael Kay



# FY19 HIGHLIGHTS

- Company transformed following sale of 5 brands to Noni B
- Focus on solely the plus size segment
- Driving profitable growth globally and returns for shareholders

## Strong top line and comp growth

**\$148m**

Global Sales

**12.2%**

Comp Sales Growth<sup>1</sup>

**12.6%**

Top Line Sales Growth

## Higher earnings margin, strong earnings growth

**\$24.9m**

Underlying EBITDA

**16.8%**

Underlying EBITDA margin

**25.2%**

Underlying EBITDA Growth

## Well capitalised, dividends

**\$23.2m**

Net Cash

**6.5cps**

Fully Franked FY19 Dividend

1. As announced in 1H FY19 and full year FY19 results Investor Presentation, CSG is now calculated excluding marketplace partners. Using the previous methodology which included marketplace partners, the CSG for FY19 was 10.0%.



## STRATEGIC PRIORITIES

Capitalise on the value plus segment through the acquired Avenue brand

Drive Australian online sales growth through lifestyle and category expansion

Grow customer base in USA

Continue store rollout and larger format store conversions in Australia and New Zealand

Grow marketplace presence with new partnerships globally

Ongoing investment to enhance customer touchpoints



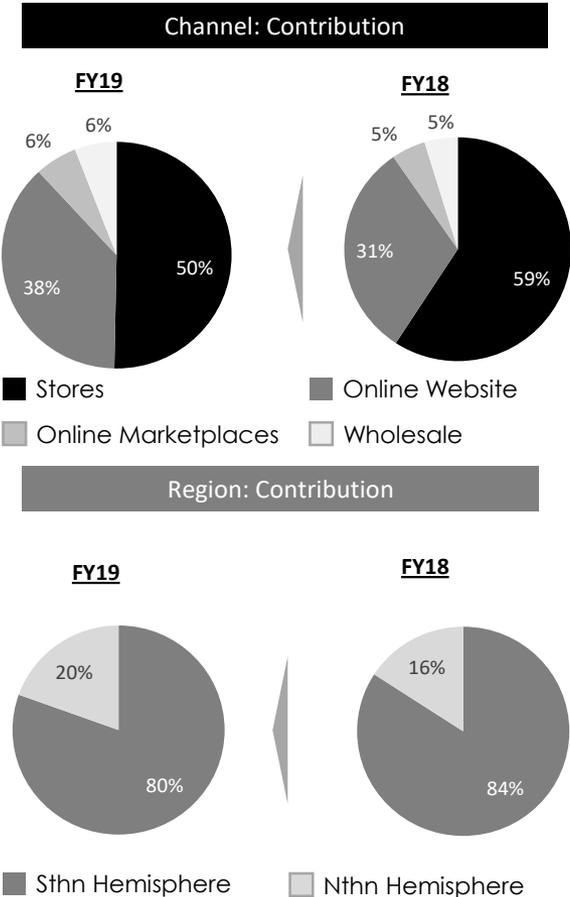
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## CEO'S ADDRESS

Phil Ryan

# FY19 OPERATIONAL ACHIEVEMENTS

Initiatives across all channels and regions have delivered a strong result in FY19



Solid platform to drive profitable and sustainable growth agenda in FY20

1. CODB - Cost of doing business



PREMIUM

avenue®

*Hips & Curves*

VALUE

city chic

CCX

YOUTH

MATURE

# LEADING A WORLD OF CURVES

# city chic

Our customers are at the heart of everything we do, and our commitment is to deliver on-trend garments and accessories that make her feel bold, sexy, glam and chic

# CCX



**BOLD**

- We have an emotional connection with and deep understanding of our customer

**SEXY**

- Longstanding executive team with proven track record

**GLAM**

- Leading position in an underserved segment

**CHIC**

- Reactive customer-led supply chain
- Majority of sales are made at full-price with limited in-store discounting
- Omni-channel customer touchpoint strategy
- Agile organisational structure, ready for growth in domestic and international markets



1. Independent websites in ANZ and the US with tailored operations
2. 108 stores as at 21 November 2019 up from 104 as at 30 June 2019
3. Omni-channel network consists of marketplace and wholesale partners across the US and Europe

# LEADING A WORLD OF CURVES

## *Hips & Curves*

Hips & Curves was an acquisition as part of our US expansion strategy in April 2019

Hips & Curves is a plus size intimates and play wear category brand that operates an independent website in the USA

The first six months since the acquisition have been pleasing and migration of customers has been going to plan



- Introduce the customer to the City Chic brand
- Select City Chic apparel sold on Hips & Curves website
- Plan for ANZ expansion



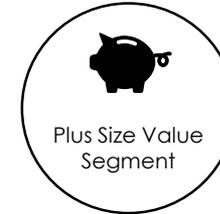
# LEADING A WORLD OF CURVES

## avenue

Our US expansion strategy accelerated with the acquisition of the Avenue brand in October 2019

Expansion into a new segment within plus, providing access to a broader cross-section of the market

Initial priorities are to stabilise the brand as an e-commerce only business, build a more customer-centric operating model, introduce better buying disciplines and adopt a more efficient supply chain



- Similarly loyal customer base with emotional connection to the brand
- Experienced design team who understands the customer
- Opportunity for customer migration to City Chic
- Global expansion opportunity



# GLOBAL MULTI-CHANNEL GROWTH BUSINESS

Women's plus size apparel market in ANZ is estimated to be 1.0bn<sup>1</sup>; City Chic has ~10% share  
Significant opportunity in North America and Europe: >\$50bn<sup>1</sup> women's plus size apparel market

## Drive Online Growth



- Grow customer base globally
- Lifestyle extensions
- New segments
- Enhance customer experience<sup>2</sup>

## Enhance Customer Touchpoints



- Investment into in-store experience
- Launching new CRM<sup>3</sup>
- New email platform underway<sup>4</sup>

## New Partners in Northern Hemisphere



- Maintain high profile partners
- Establish new partnerships
- Continue European trial through wholesale

## Accelerate Store Roll-out in ANZ



- Target 15 new locations
- 15 larger format conversions
- Stronger economic structures for our bricks & mortar business



1. Based on IBISWorld Industry Report, The NPD Group, PwC, Verdict and City Chic estimates.
2. Increased site speed, search engine optimisation (SEO) and conversion.
3. Customer Relationship Management; to enhance customer insights and predictive modelling.
4. More targeted communications, behavioural learnings and customer journeys.

# FY20 UPDATE AND OUTLOOK

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- Remain on track to achieve positive comparable sales growth for FY20
- Global e-commerce platform upgrade launched for City Chic
- Continue to see strong growth in the City Chic customer base in the US
- Store rollout continues
- Positive initial reads from acquired Avenue e-commerce business



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