



# The PAS Group Limited – H1 FY2015 Results Briefing

27 February 2015

# Agenda



- Overview – Eric Morris (CEO)
- 2015 H1 Results Analysis – Matthew Durbin (CFO & COO)
- Strategy and Outlook – Eric Morris (CEO)
- Appendices

METALICUS

BLACK PEPPER

REVIEW

BREAKAWAY

yarra trail



MARCO POLO



SISTA D



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PARIS

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# Overview



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# FY2015 H1 Results Summary



## Financial Summary (i)

- Total Sales of \$117.4 million
  - Retail sales up 9.7% due to impact of new stores
  - Wholesale sales down 18.1% due to accelerated reduction in Target sales as we migrate to licensed brands
  - Online sales up 76.8%
- Underlying EBITDA of \$8.7 million
- Underlying NPAT of \$3.3 million
- Underlying EPS of 2.4 cps
- Net cash of \$7.3 million
- Dividend per share 1.9c fully franked, funded by free cash flow
- No debt
- One off non-cash impact of \$38.1 million relating to the impairment of Metalicus goodwill and brand name reflected in the statutory result

Underlying (i)	H1 FY2015	H1 FY2014
<b>Sales</b>	\$117.4 million	\$121.7 million
<b>EBITDA</b>	\$8.7 million	\$16.3 million
<b>NPAT</b>	\$3.3 million	\$5.0 million

(i) See Underlying to Statutory Income Statement reconciliation on page 21

## Operational Summary

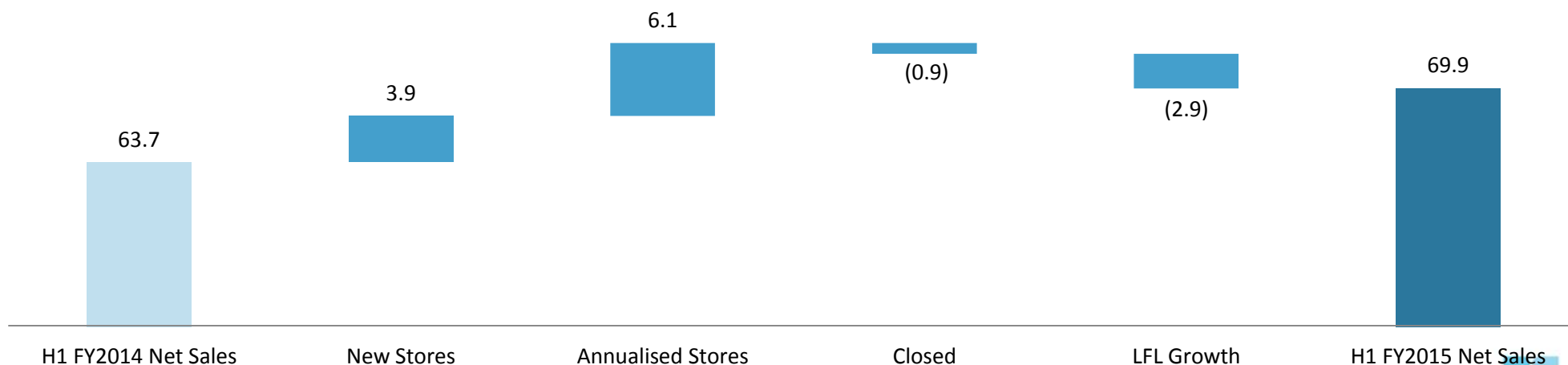
- New store roll-out on track: 31 new stores opened, 263 retail sites at 31 December 2014
- Strong growth in loyalty program: membership up 35.3% to 354,000 since 30 June 2014
- New licensed brands at Designworks: Slazenger, Dunlop and Everlast
- Expansion into sports category provides new growth avenues
- New character licenses: Hello Kitty, Teenage Mutant Ninja Turtles, Fireman Sam and Angelina Ballerina
- Migration from house brands to licensed brands largely complete: well set for H2 FY2015 and beyond
- Management reorganisation including appointment of Matthew Durbin as Chief Financial and Operating Officer

# Retail Sales



- Retail sales grew 9.7% year on year
- Growth due to impact of 31 new stores opened in H1 FY2015 and 36 new stores opened in FY2014
- Online sales grew 76.8%, now represents 5.4% of total retail sales
  - 7.4% of retail sales in Metalicus and Review
- Growing customer loyalty program, loyalty sales represent 60% of total retail sales
- LFL retail sales down 4.4% (including Metalicus)

H1 FY2014 to FY2015 Retail Sales Bridge (\$ million)



# New Store Roll-Out on Track

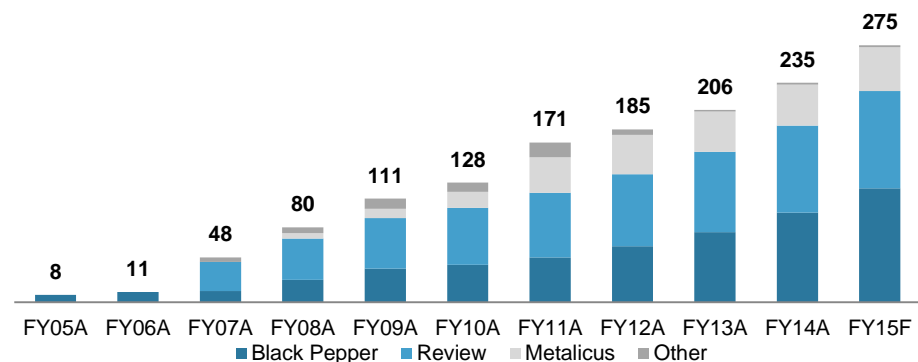


## Total Retail Sites by Brand

	FY2014	Opened	Closed	H1 FY2015
Black Pepper	96	17	(2)	111
Review	93	9	-	102
Metalicus	44	5	(1)	48
Other	2	-	-	2
<b>Total Retail Sites</b>	<b>235</b>	<b>31</b>	<b>(3)</b>	<b>263</b>

- 31 new retail sites opened in H1 FY2015
  - Black Pepper: 17 stores
  - Review: 4 stores, 5 concessions
  - Metalicus: 5 stores
- 2 Black Pepper stores relocated
- 31 retail sites refurbished or refreshed
- Continued roll out of new store design concept in Review and Metalicus

## Store Roll-Out Trajectory

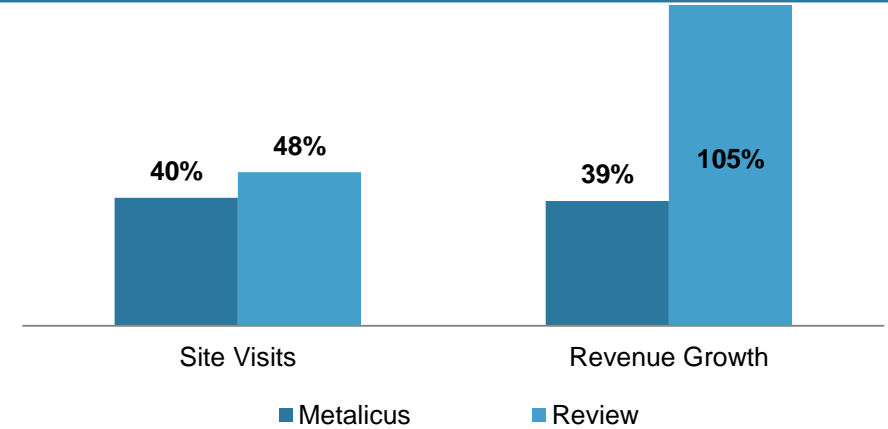


Forecast	H1 FY2015	To Open	To Close	FY2015f
Black Pepper	111	11	-	122
Review	102	2	-	104
Metalicus	48	-	(1)	47
Other	2	-	-	2
<b>Total Retail Sites</b>	<b>263</b>	<b>13</b>	<b>(1)</b>	<b>275</b>

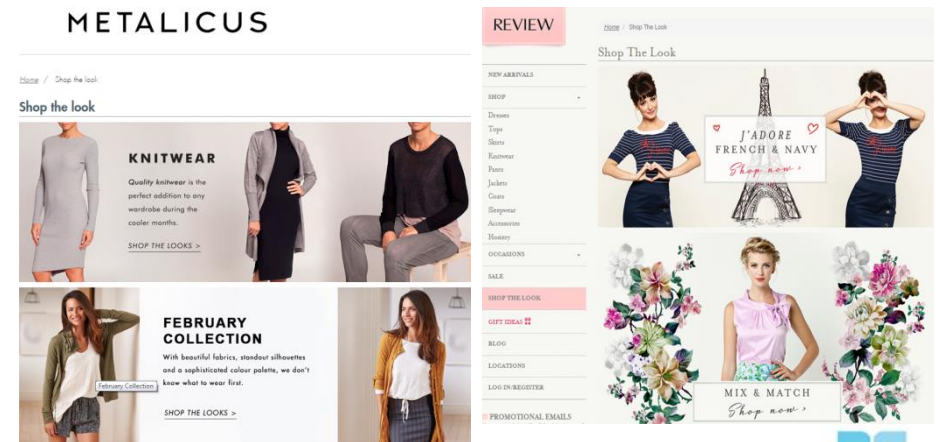


- Online sales up 76.8% now represents 7.4% of retail sales in Review and Metalicus
- Review and Metalicus online channels equivalent to number one and number two stores by sales respectively
- Online and digital continues driving sales growth, consumer insights, consumer communication and traffic to retail stores
- “Click and Collect” trial successfully launched: roll out to all Review and Metalicus stores in H2 FY2015
- Black Pepper online store successfully launched: now one of the top performing Black Pepper stores in a short timeframe
- New functionality and features introduced: abandoned cart, retargeting, wish list and loyalty gift card redemptions
- Affiliate marketing programs continue to grow
- Relationship signed with ‘starts at 60’ for Black Pepper
- Planned launch of dedicated online Review store in Singapore in Q4 FY2015

## Online Growth Rates (H1 FY2015 vs. H1 FY2014)



## Metalicus and Review Online Stores





# Wholesale, Design & Distribution

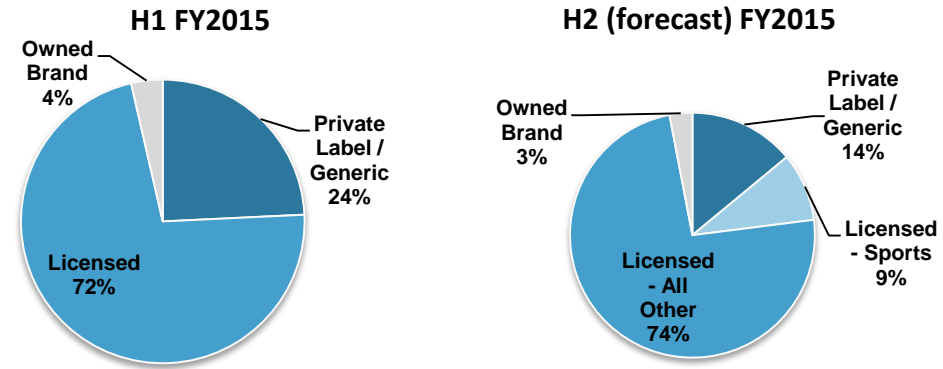


- Wholesale sales down 18.1% to \$47.4 million

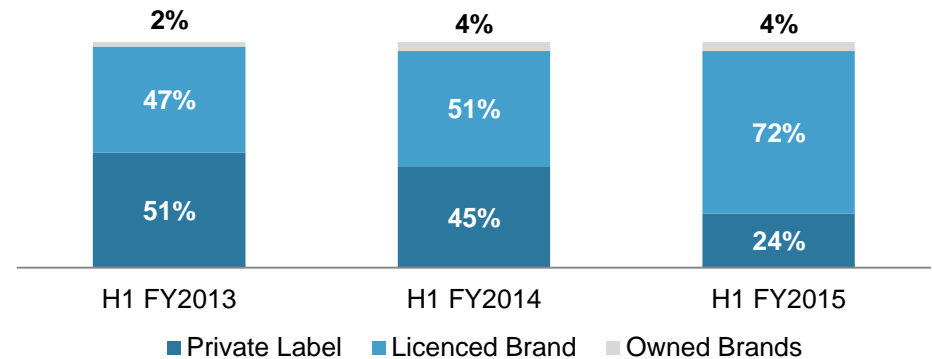
## DESIGNWORKS

- H1 sales down 19.5% (\$7.1 million): primarily due to previously announced sales decline in Target private label
- Planned migration from private label to brands and brand licensing largely complete: cornerstone of future growth
- Obtained Slazenger, Dunlop and Everlast licenses and launched sports category
- New sports category provides significantly expanded retail customer base and future growth opportunity
- Strong pipeline of new license opportunities: attracted by design capability, quality and supply chain speed to market
- New character licenses signed: Hello Kitty, Teenage Mutant Ninja Turtles, Fireman Sam, Angelina Ballerina
- Designworks successfully trialled children's apparel range in Toys"R"Us Japan: from Winter 2015 will supply entire fashion range for infant and toddlerwear in Japan

## Designworks % Product Mix – H1 v H2 (forecast) FY2015



## Designworks Migration from Private Label to Owned / Licensed Brands largely complete



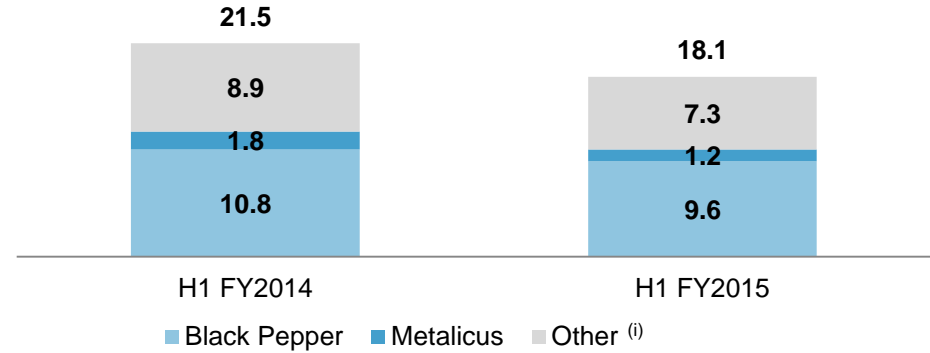




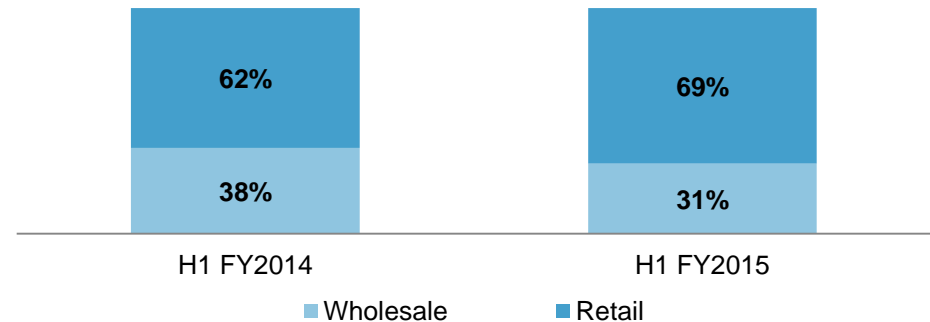
## OTHER WHOLESAL

- Sales down 15.7% primarily driven by:
  - Intentional cannibalisation of wholesale sales due to rollout of new Black Pepper retail stores to increase profitability
  - The Metalicus recovery being slower than anticipated
  - Reduction in wholesale sales for Marco Polo and Yarra Trail
- Metalicus Wholesale for Winter 2015 significantly improved with forward commitments 14% ahead of prior year
- Decline in Black Pepper wholesale better than planned: lower rate of decline in Winter indent

## Other Wholesale



## Black Pepper Wholesale vs. Retail



(i) Includes Yarra Trail and Marco Polo

# Metalicus performance



- Turnaround slower than expected
- Revised product range from April 2015:
  - Positive reaction to winter wholesale range, up 14% on prior year
  - Early reaction to Spring 2015 very encouraging
- New look marketing, communications and in store presentation
- Recruitment of an experienced Marketing Manager
- Improved operational capability through recruitment of an experienced Retail Operations Manager
- Leveraging new merchandise planning system
- Airport stores continue to trade well with further opportunity for future growth



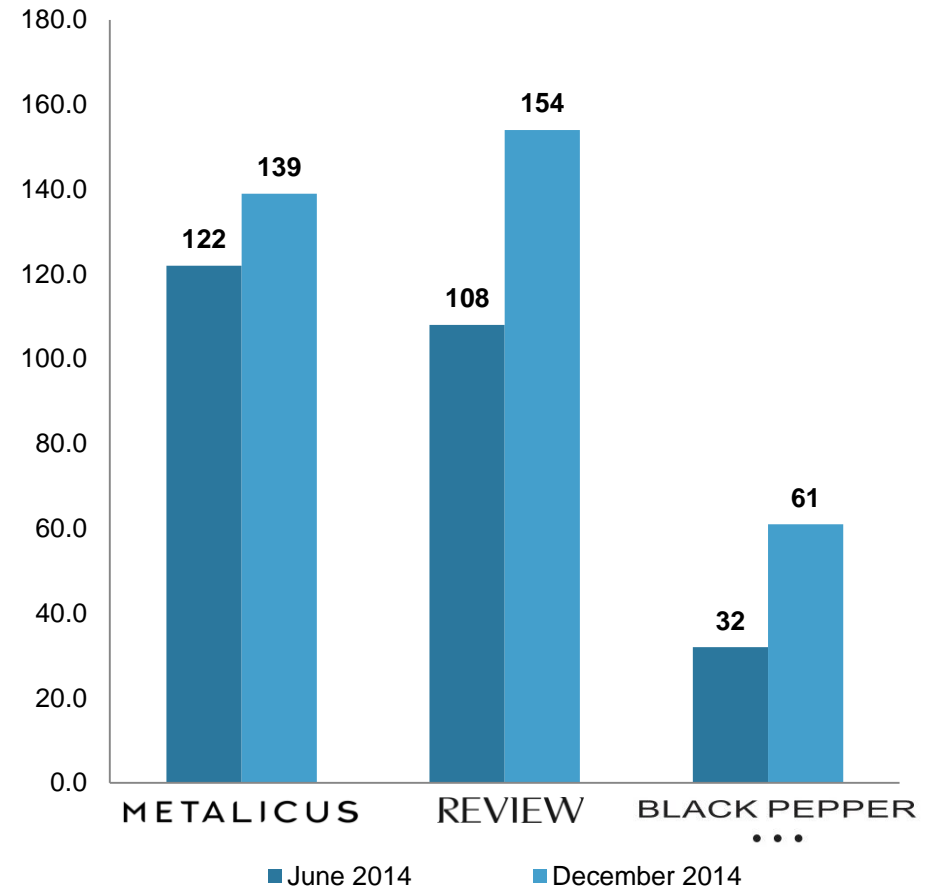
# Customer Loyalty & Communication



## Overview

- Strong growth in loyalty programs continues, provides valuable data for targeted customer communications:
  - Review up c. 1,600 members per week to 154,000 (+43%)
  - Metalicus up c. 670 members per week to 139,000 (+14%)
  - Launched the Black Pepper loyalty program October 2014, membership up by c. 2,200 members per week to 60,600 (i)
- Strong driver of sales: 79% of Metalicus, 57% of Review, 54% of Black Pepper retail sales associated with loyalty program
- Strong customer engagement: 33% open rates on email marketing
- Launched loyalty program for Black Pepper in October 2014
- Continue to utilise the 'Myer One' program to support Myer concessions and acquisition of new customers
- New email fulfilment platform implemented enabling targeted email communications through H2 FY2015
- Dedicated in-house capability now in place for end to end EDM fulfilment

## Loyalty Program Members ('000)



(i) Black Pepper converted from the previous VIP program to the current loyalty program at the end of September 2014 with c. 32,000 members

# Exchange Rate Overview



- H1 FY2015 average US dollar purchases at c. \$0.90
- Forward US dollar currency requirements for H2 FY2015 covered at c. \$0.86 for all brands
- Forward US dollar currency requirements for Review, Metalicus and Breakaway for the majority of H1 FY2016 covered at levels above c. \$0.80
- From 1<sup>st</sup> January 2015 5% tariff reduction on all imported goods (previously 10% tariff)
- Negotiations with vendors underway for cost reductions on Spring/Summer buy, potential for price increases also under review
- Designworks currency commitments in place based on firm orders through to end June 2015, future currency requirements and wholesale pricing determined when firm orders received

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# H1 FY2015 Results Analysis



# Income Statement



	H1 FY2014	H1 FY2015
\$ millions	Underlying (i)	Underlying (i)
<b>Revenue from Sales</b>	<b>121.7</b>	<b>117.4</b>
Gross Profit	70.6	67.2
<i>Gross Profit Margin (%)</i>	<i>58.0%</i>	<i>57.2%</i>
Cost of Doing Business (CODB)	(54.6)	(59.2)
<i>CODB (%)</i>	<i>44.9%</i>	<i>50.4%</i>
Other Revenue & Other Gains/Losses	0.3	0.7
<b>EBITDA</b>	<b>16.3</b>	<b>8.7</b>
Depreciation & Amortisation	(2.9)	(3.2)
<b>EBIT</b>	<b>13.3</b>	<b>5.5</b>
Net Finance Costs (iii)	(6.4)	(0.5)
<b>PBT</b>	<b>6.9</b>	<b>5.0</b>
Tax Expense (iv)	(1.9)	(1.7)
<b>NPAT</b>	<b>5.0</b>	<b>3.3</b>

(i) See Underlying to Statutory Income Statement reconciliation on page 21

- Revenue reduction of 3.5% driven primarily by accelerated reduction in sales of Target private label in Designworks, partially offset by the rollout of retail stores
- Ongoing shift from wholesale to retail sales
- Gross profit behind last year, impacted by the reduction in the Target business and Metalicus performance
- CODB increase on prior year predominantly due to:
  - New infrastructure to support store roll out program
  - Shift from wholesale to retail sales
  - Property and employment costs associated with new stores in H1 FY2015 and full year impact of stores rolled out in the H2 FY2014; and
  - Listed entity costs not incurred in the prior year
- Depreciation increase largely due to new store roll out
- Reduction in Finance costs reflects zero debt

# Balance Sheet



Statutory (\$ millions)	30 June 2014	31 December 2014
Cash and Cash Equivalents	0.5	7.3
Trade and Other Receivables	24.8	18.2
Inventory	22.8	24.4
Property, Plant and Equipment	12.0	14.0
Deferred Tax Assets	13.3	11.3
Goodwill & Other Intangible Assets	103.5	65.3
Other Assets	6.6	9.5
<b>Total Assets</b>	<b>183.5</b>	<b>150.0</b>
Trade and Other Payables	11.9	11.3
Other Liabilities	14.0	13.2
<b>Total Liabilities</b>	<b>25.9</b>	<b>24.5</b>
<b>Net Assets</b>	<b>157.6</b>	<b>125.5</b>

- Zero borrowings
- Net cash of \$7.3 million
- Trade and other receivables reduction due to impact of Target sales reduction in Designworks
- Inventory increase due to the acquisition of new sports category
- Property, plant & equipment increase due to retail store rollout and the partial refurbishment and refresh of existing stores
- Goodwill and other assets include impairment of Metalicus goodwill and brand name



# Cash Flow Statement



Statutory (\$ millions)	H1 FY2014	H1 FY2015
EBITDA	16.3	8.7
Movement in Working Capital	-	4.4
<i>Movement in Trade &amp; Other Receivables</i>	0.5	6.6
<i>Movement in Inventories</i>	(0.3)	(1.6)
<i>Movement in Trade &amp; Other Payables</i>	(0.2)	(0.6)
Other Operating Cash Flows	(3.8)	0.6
<i>Cash Flow Conversion (%)<sup>(1)</sup></i>	76.7%	157.5%
<b>Net cash flow from operating activities before financing activities and tax</b>	<b>12.5</b>	<b>13.7</b>
Capital Expenditure	(2.5)	(4.5)
<b>Net cash flow before financing activities and tax</b>	<b>10.0</b>	<b>9.2</b>
Income Tax Payments	(1.5)	(2.0)
Net Interest	(4.3)	(0.4)
Repayment of borrowings	(2.9)	-
<b>Net Cash Flow</b>	<b>1.3</b>	<b>6.8</b>

(i) Cash flow conversion defined as Net cash flow from operating activities before financing activities and tax, divided by EBITDA

- Positive net cash flow and high cash conversion resulting from:
  - lower trade receivables due to wholesale sales reduction and timing of payments
  - change in other operating cash flows due to timing of prepayments, supplier deposits and employee provisions
- Capital expenditure increased due to:
  - increased number of new stores rolled out
  - increased investment in targeted refurbishments
  - implementation of a new merchandise planning system

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## Strategy and Conclusion



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# Growth Strategy



<b>1 New Store Roll Out</b>	<ul style="list-style-type: none"><li>• Expected to grow from current 263 retail sites to 275 by end of FY2015</li><li>• New store roll out progressing in line with plan</li></ul>
<b>2 Store Enhancement</b>	<ul style="list-style-type: none"><li>• Continuous review and refresh program driving same store sales growth</li><li>• 31 retail sites refurbished or refreshed in H1 FY2015</li><li>• Program continues for refurbishments in H2 FY2015</li><li>• Planned refresh of concession concepts in Review and Metalicus to commence from Q4 FY2015</li></ul>
<b>3 Product and Brand Extension</b>	<ul style="list-style-type: none"><li>• Accessories and additional apparel categories</li><li>• Introduced new sports goods category in Designworks, Growth in H2 FY2015 and beyond</li><li>• Growing footwear business in Designworks</li></ul>
<b>4 Licensing Opportunities</b>	<ul style="list-style-type: none"><li>• Continue to leverage alliance with UK based global brand owner IBML</li><li>• Leverage existing wholesale relationships</li><li>• New supply relationship for licensed product established from Winter 2015 with Coles and Woolworths</li><li>• Successful trial of apparel in Toys”R”Us Japan, from Winter 2015 to supply entire infant and toddlerwear fashion range for Japan</li></ul>
<b>5 Online Growth</b>	<ul style="list-style-type: none"><li>• Planned trial of Store to Door</li><li>• Roll out Click &amp; Collect to all Review and Metalicus stores</li><li>• Launch dedicated international site in H2 FY2015 in Singapore for Review</li></ul>
<b>6 Loyalty &amp; Communication</b>	<ul style="list-style-type: none"><li>• Continued focus on growing loyalty program to support targeted communication</li><li>• New email fulfilment platform implemented to enable targeted email communications rollout through H2 FY2015</li></ul>
<b>7 Acquisitions</b>	<ul style="list-style-type: none"><li>• Continuing to evaluate opportunities</li><li>• Disciplined approach and strict acquisition criteria</li></ul>

# Conclusion and Outlook



- Retail environment remains challenging
- Growth strategy being well executed:
  - Store roll-out and refurbishment
  - Online and loyalty strategy
  - New brand licenses
- Good cost discipline
- Well set for improved second half performance:
  - Sales from new store rollout program
  - New sports category
  - New brand and character licenses
  - Revised product range in Metalicus
- Operational improvements supported by new management structure:
- Board maintains dividend policy of 70 – 80% of underlying NPAT
- No debt and ongoing acquisition opportunities under review

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## Appendices



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# Appendix A: Statutory to Underlying Reconciliation



*Underlying results are reported to give information to shareholders that provides a greater understanding of the performance of The PAS Group Limited and its controlled entities' ('PAS') operations.*

*The underlying results represent the statutory profit adjusted for items that are material items of revenue or expense that are unrelated to the underlying performance of the business ('significant items'). PAS believes that presenting underlying profit provides a better understanding of its financial performance by facilitating a more representative comparison of financial performance between financial periods.*

(\$'millions)	H1 FY2015 Revenue	H1 FY2015 EBITDA	H1 FY2015 EBIT	H1 FY2015 NPAT	H1 FY2014 Revenue	H1 FY2014 EBITDA	H1 FY2014 EBIT	H1 FY2014 NPAT
<b>Statutory</b>	<b>117.4</b>	<b>8.7</b>	<b>(32.6)</b>	<b>(34.8)</b>	<b>121.7</b>	<b>16.3</b>	<b>13.3</b>	<b>5.0</b>
<b>Add back / (deduct) significant items:</b>								
Impairment (i)	-	-	38.1	38.1	-	-	-	-
<b>Underlying</b>	<b>117.4</b>	<b>8.7</b>	<b>5.5</b>	<b>3.3</b>	<b>121.7</b>	<b>16.3</b>	<b>13.3</b>	<b>5.0</b>

*(i) Included in the statutory results for the half year ended 31 December 2014 is a one-off non-cash impairment charge in respect of the carrying value of Metalicus goodwill (\$32.0 million) and the Metalicus brand name (\$6.1 million) following a review of the recoverable amount of these assets during the current period.*

# Appendix B: Underlying Earnings per Share Reconciliation



H1 FY2015 (\$'millions)	Footnote	Underlying
<b>Underlying NPAT</b>	(i)	<b>3.3</b>
<b>Number of shares issued at IPO</b>	(ii)	<b>136.7 million</b>
<b>Underlying EPS</b>	(iii)	<b>2.42 cents per share</b>

(i) Refer to reconciliation in Appendix A

(ii) The number of shares issued at IPO was 136,690,860.

(iii) The Underlying EPS (earnings per share) reflects the Underlying NPAT / The number of shares on issue



# Sales by Brand and Segment



Actual Underlying (\$ millions)	H1 FY2014	H1 FY2015
<b>Retail</b>		
Black Pepper	17.5	21.6
Review	31.8	35.1
Metalicus	14.1	12.8
Other	0.4	0.4
<b>Total Retail Sales</b>	<b>63.8</b>	<b>69.9</b>
<b>Wholesale</b>		
Black Pepper	10.8	9.6
Metalicus	1.8	1.2
Designworks	36.4	29.3
Other	8.9	7.4
<b>Wholesale Sales</b>	<b>57.9</b>	<b>47.5</b>
<b>Total Sales</b>	<b>121.7</b>	<b>117.4</b>
<i>Retail Sales % of Total Sales</i>	<i>52%</i>	<i>60%</i>
<i>Wholesale Sales % of Total Sales</i>	<i>48%</i>	<i>40%</i>
<i>Retail Sales Growth (%)</i>	<i>13.9%</i>	<i>9.7%</i>
<i>LFL Sales Growth (%)<sup>(i)</sup></i>	<i>1.5%</i>	<i>(4.4%)</i>
<i>Wholesale Sales Growth (%)</i>	<i>(3.7%)</i>	<i>(18.1%)</i>

(i) LFL Sales Growth excludes the performance of outlet stores

- Challenging trading conditions and low consumer sentiment adversely affected sales in retail
- Metalicus recovery slower than expected
- Retail revenue increased in Black Pepper and Review due to the roll out of new stores and the impact of stores opened in the 2<sup>nd</sup> half of the prior year
- Wholesale revenue impacted by the accelerated reduction in sales of Target private label in Designworks and some cannibalisation of Black Pepper due to new store openings

# Earnings by Segment



Actual Underlying (\$ millions)	H1 FY2014	H1 FY2015
<b>EBITDA</b>		
Retail	9.7	8.3
<i>Margin (%)</i>	15.3%	11.9%
<i>Growth (%)</i>	10.8%	(14.5%)
Wholesale	8.6	3.7
<i>Margin (%)</i>	14.8%	7.8%
<i>Growth (%)</i>	(5.3%)	(56.9%)
Unallocated / Corporate	(2.0)	(3.4)
<b>Total EBITDA</b>	<b>16.3</b>	<b>8.7</b>
<i>Margin (%)</i>	13.4%	7.4%
<b>EBIT</b>		
Retail	7.6	5.9
<i>Margin (%)</i>	11.9%	8.5%
<i>Growth (%)</i>	7.6%	(22.0%)
Wholesale	8.4	3.6
<i>Margin (%)</i>	14.6%	7.7%
<i>Growth (%)</i>	(6.0%)	(56.9%)
Unallocated / Corporate	(2.7)	(4.1)
<b>Total EBIT</b>	<b>13.3</b>	<b>5.5</b>
<i>Margin (%)</i>	11.0%	4.7%

- Retail underlying EBITDA below prior year due to difficult trading conditions and additional discounting activity. Metalicus business performance a significant impact
- Wholesale underlying EBITDA below prior year due to the accelerated reduction in sales of Target private label in Designworks and some cannibalisation of Black Pepper due to new store openings
- Unallocated / Corporate underlying EBITDA increase primarily due to listed entity costs not incurred in the prior year, IT staff previously capitalised now expensed and the centralisation of the Group's payroll function

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## Appendix C: Overview of The PAS Group

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# Key Brands and Operations

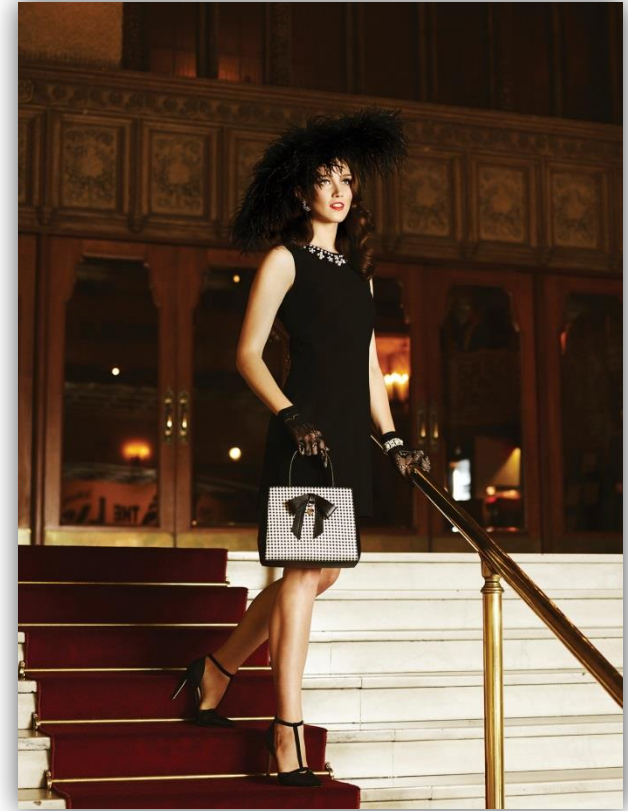


	Review	Metalicus	Black Pepper	Designworks	Other
Gender	Female	Female	Both	Both	Female
Age	24 – 40	25 – 50	50+	All	40+
Indicative Price Point	\$60 – \$300	\$40 – \$300	\$50 – \$150	Various	\$40 – \$300
Products	Dresses, tops, skirts, knitwear, pants, jackets, coats, accessories	Dresses, tops, cardigans, jackets, skirts, pants, legwear, accessories	Shirts, tees, polo's, pants, shorts, tops, skirts, jeans, jackets, knitwear, dresses	Men's, women's kids, all apparel categories, accessories, license product	Tops, shirts, knitwear, vests, jackets, pants, skirts, dresses
Range	Daywear, occasion wear, bridesmaid, career	Collections, basics	Various	Various	Daywear, occasion wear, weekend wear, casual and city dressing
# of Stores	102	48	111	N/A	2
Brands	<b>REVIEW</b>	<b>METALICUS</b>	<b>BLACK PEPPER</b> <b>BREAKAWAY</b> <b>yo yvonne black</b> <b>EQUEE</b>	Various	yarra trail <b>MARCO POLO</b> annapelle <b>FIORELLI</b>
% of Group H1 FY2015 Net Sales					
H1 FY2015 Net Sales: Retail vs Wholesale					
Established	1985	1992	1976	1993	Various



## REVIEW

- Established in 1985, Review has built a strong and loyal customer base
- Unique brand positioning offering feminine products inspired by vintage designs with a modern twist
- Target market is women aged between 24 and 40 years
- Review captures a large share of the value chain through operating a vertically integrated retailer model
  - Operates 39 stand alone stores nationally and 63 concessions within Myer
- Consistently in the top three performing concessions in Myer
- Rapidly growing online channel, currently equivalent to the number 1 “store” in the PAS group by sales
- Speed to market and regular store inputs of up to 15 new styles provided weekly





# Review at a Glance



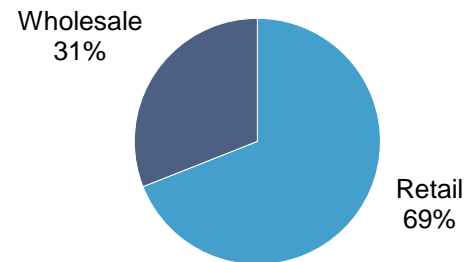
# Brand Overview – Black Pepper



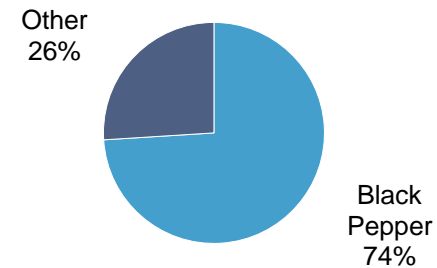
BLACK PEPPER

- Established in 1976 with a distinctive and sustainable position within the older demographic
- Black Pepper brands target a market segment which includes women's and men's leisurewear to a loyal over 50's customer base
- Key brands include Black Pepper, Breakaway, Yvonne Black, Equus and Extra Pepper. All brands have strong brand equity
- Significant intellectual property in designing products targeted to the older demographic body shape
- No major customer reliance with the products delivered through a broad distribution network including owned retail stores and outlet stores
- Currently have 106 retail stores and 5 concessions with significant growth opportunities based on a proven model. Retail sites target "strips" and neighbourhood centres with a strong focus on regional areas
  - Black Pepper is a key focus of the Group's medium term store rollout strategy
- High earnings predictability with majority of wholesale sales on indent basis (ie. committed orders received in advance of production)
- Strong profitability and high earnings to cashflow conversion
- Diversified distribution network with over 650 retail accounts in Australia and NZ
- Limited competition in an under-served and growing demographic

Sales by Distribution Channel  
H1 FY2015



Sales by Brand H1 FY2015





# Black Pepper at a glance



# Operation Overview – Designworks

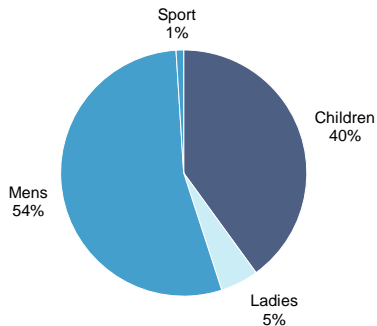


## Designworks®

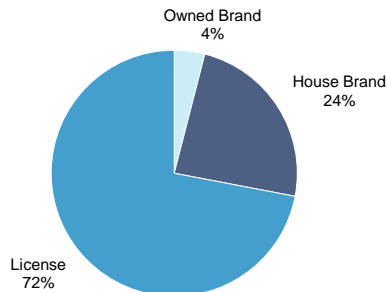
### Overview

- Designworks is a designer, marketer and wholesale supplier of owned brands, licensed brands and private label to customers including K Mart, Big W, Target and Myer
- Talented design team with over 15 designers
- Efficient supply chain enables speed to market
- Deliberate strategy to migrate from private label to licensed brands
- Australian representative of IBML provides access to new brand licenses
- Growing footwear and accessories business

### Sales Demographic H1 FY2015



### Sales Mix H1 FY2015



### Key Brands

#### Owned Brands



#### IBML Brands



#### 3rd Party Private Label



#### Other Brands





# Designworks at a glance



**NO. 1 BALL**  
WORLD'S # 1 BALL

- PRO**  
Advanced Players  
This ball is made with the most advanced ball technology in the range. Suitable for advanced players.
- COMpetition**  
Intermediate Players  
This competition specification ball is the perfect one for the club level. It's longer lasting, suitable for intermediate players.
- PROGRESS**  
Beginner Players  
This Progress specification ball is the perfect one for the club level. It's longer lasting, suitable for beginner players.
- INTRO**  
Beginner Players  
This Intro specification ball is the perfect one for the club level. It's longer lasting, suitable for beginner players.

**DUNLOP**  
SPORT

Official Ball of: **ITF**, **WORLD TENNIS**, **DWSA**, **SQUASH**



**Slazenger**

Nathan Coulter-Nile  
Australian Cricketer

Steve Hooker  
Olympic Gold Medalist



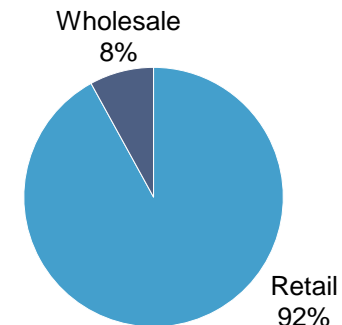


## METALICUS

- Established in 1992, Metalicus has a loyal customer base built on its distinctive and innovative collection which uses two way stretch fabrications
- The stretch nature of the fabrications and designs differentiates Metalicus from other brands in the market and enables the majority of products to be sold on a 'one size fits most' basis
- The easy care nature of the fabrication enables the product to be perfect for travel
  - Also suitable for maternity wear
- Broad distribution network of 35 owned retail stores, 13 Myer concessions, a rapidly growing online channel and 250 wholesale accounts
- Minor distribution currently in South Africa and Canada
- Small store footprints and efficient layout drive higher returns per square metre

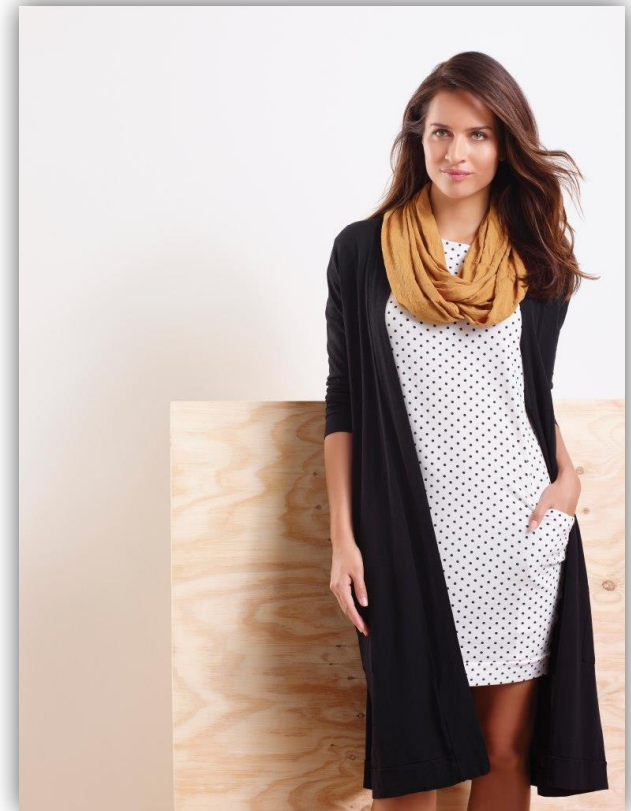


Sales by Distribution Channel H1 FY2015





# Metalicus at a Glance





## yarra trail

- Established in 1984, Yarra Trail produces high-quality mid-range fashion products for women aged over 40, mostly via the Yarra Trail brand which has strong brand equity
- Yarra Trail distributes its product through 320 retailers including Myer and David Jones and operates 2 stand-alone stores
- Disciplined and focussed approach to the targeted consumer

## MARCO POLO

- Established in 1972, Marco Polo has an emphasis on knitwear and co-ordinates focused on the female 45+ consumer
- The brand has a long heritage
- A wholesale customer base of 200 accounts with long standing relationships

## FIORELLI

- Owner and licensor of the Fiorelli and Annapelle brands
- Fiorelli and Annapelle are licensors only and employ no staff
- Established in the 1986 (Fiorelli) and 1994 (Annapelle)
- Fiorelli is a licensing business which licenses the Fiorelli brand for bags, accessories and sunglasses
- Annapelle licenses handbags and accessories to 3rd parties
- Product for both Annapelle and Fiorelli is sold through department stores and independents

# Yarra Trail at a Glance





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