

city chic collective

4 October 2019

Acquisition of US plus size e-commerce business

City Chic Collective Limited (ASX: CCX) (“City Chic”) is pleased to advise that it has been the successful bidder for the e-commerce assets of Avenue Stores, LLC (“Avenue”), a US-based specialty retailer targeting value-conscious women aged 25 to 55.

On 27 September 2019, City Chic informed the market that it had been nominated as the Stalking Horse Bidder for Avenue’s e-commerce assets which were being offered for sale as part of Chapter 11 bankruptcy proceedings.

On 3 October 2019, the auction took place in the United States and City Chic was the winning bidder with an offer price of US\$16.5m. The transaction will be financed from existing cash and from new and existing credit facilities.

City Chic’s winning bid is now subject to approval by the US Bankruptcy Court in Delaware on 7 October 2019. Any objections by interested parties to the sale will be heard during the court hearing. Subject to approval from the US Bankruptcy Court, the transaction is expected to close in mid-October 2019. There are no other material conditions to be satisfied before completion of the transaction.

City Chic will provide confirmation of approval and further detail on the transaction following the US Bankruptcy Court hearing.

About City Chic Collective Limited

City Chic Collective is a leading Australian multichannel retailer specialising in the plus-size (size 14+) women’s apparel, accessories and footwear market. Its customer-led offer appeals to young, fashion-forward women. Lifestyle driven and accessible, the City Chic brand has a strong following in Australia and New Zealand, with a fast-growing presence in North America and Europe.

City Chic’s multichannel model comprises: a network of 104 stores across Australia/New Zealand; two websites operating in Australasia and USA; marketplace and wholesale partnerships with major US retailers such as Macys and Nordstrom; and a wholesale business with European partners such as ASOS and Zalando.

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