

ASX Announcement

26 September 2018

Board Renewal Update
Appointment of Chairman

Specialty Fashion Group Limited (ASX: SFH) (SFG or the Group) announced today that its Chairperson Ms Anne McDonald will retire as a non executive director and Chairperson at this year's Annual General Meeting in November and be replaced by Mr Michael Kay. Mr Kay will join the Board as a non executive director and Chairman-elect, effective from 1 October 2018.

Mr Kay joins the SFG Board with considerable experience as a non executive director and an executive across a range of industries. Most notably, Mr Kay is Chairman of accessories retailer Lovisa Holdings where he has led the Board during a period of substantial growth. Mr Kay is scheduled to retire from the Lovisa Holdings Board on 31 October 2018.

Ms McDonald said "We are pleased to welcome Michael to the Board of SFG. Michael is an excellent and well-qualified Chairman bringing with him exceptional commercial and governance experience, together with strong leadership qualities and an appetite to help businesses grow."

Ms McDonald joined the Board in April 2007 and was appointed Co-Chairperson in November 2015 before taking on the role in a sole capacity in August 2017. The Board would like to thank Anne for her outstanding service and commitment to SFG for over a decade. During this time the Group has experienced significant growth and change, culminating with the recent divestment of five brands that will enable SFG to realise and benefit from the strength of the remaining City Chic brand.

"I have greatly enjoyed my time on the Board of SFG and it has been my privilege to serve as Chairperson for the past three years. I firmly believe that City Chic is well-positioned for growth and I wish the Board and management every success."

Commenting on his appointment, Mr Kay said, "I am delighted to be joining the SFG Board as the company embarks on its next phase of growth. I look forward to working closely with the Board and incoming CEO Phil Ryan to help guide the disciplined execution of the City Chic strategy to deliver growth and shareholder value."

Mr Kay will stand for election at SFG's Annual General Meeting on 9 November 2018.

The previously announced process of Board renewal, of which today's announcement is part, is ongoing and recruitment of a non executive director to replace Ashley Hardwick, who also retires at the Annual General Meeting, will commence shortly.

Mr Michael Kay

Mr Kay is currently Chairman of Lovisa Holdings (ASX: LOV), IMG Bentham (ASX:IMF) and Apply Direct (ASX:AD1) and a Non-Executive Director of Royal Automobile Club Insurance (WA). He was previously a non executive director of Quintis Ltd.

A qualified lawyer, Mr Kay brings a broad range of commercial experience to the Board. Mr Kay was Chief Executive Officer and Managing Director of McMillan Shakespeare (ASX:MMS) for six years and previously held a number of senior executive roles at AAMI including Chief Executive Officer. He also spent 12 years in private legal practice specialising in commercial law during his executive career.

About City Chic

City Chic 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 rapidly growing presence in North America and Europe.

City Chic's multichannel model comprises: a network of 107 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, Evans and Zalando.

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