**ASX ANNOUNCEMENT**

4 November 2026

**Trading Update for the 18 weeks to 1 November 2026**

**City Chic Collective Limited** (ASX: CCX) today provides a trading update for the 18 weeks to 1 November 2026, based on preliminary and unaudited results.

Trading through the early part of FY27 reflects City Chic's continued focus on profitable, full-price sales and disciplined inventory management. Following the planned decision in August to materially reduce promotional activity, particularly online, the Group has delivered gross margin expansion and strong store growth as momentum has built through the first half. As a result of the strategic reset, group revenue, excluding wholesale, was down 1.7% on the prior corresponding period (PCP), while gross margin dollars increased 2.2%, with the highlight being a 19.6% comparative increase in full price store sales.

**Highlights:**

- **City Chic is expecting to generate positive EBIT in the first half, subject to continuing sales momentum into the busy Black Friday and Christmas trading period.**
- **City Chic remains on track to end 1H FY27 with a positive cash balance and no drawn debt**
- **ANZ comparable store sales up 15.4% (full price stores up 19.6%)**
- **ANZ online trading gross margin up 200bps; comparable sales down 7.4%; trading gross margin dollars down 4.5% as a result of the strategic reset**
- **USA focus on reduced discounting, with comparable sales down 12.0%; but comparable trading gross margin dollars up 7.1%**
- **Group comparable sales up 1.2%; comparable trading gross margin dollars up 5.1%**
- **Group trading gross margin up 240bps**

**Phil Ryan, Chief Executive Officer and Managing Director of City Chic said:**

"The sales momentum we have built through the Spring season in ANZ, together with expanded gross margins from a stronger full-price sales mix, demonstrates that our strategy is delivering improved trading performance, despite a challenging retail environment.

"In August, we made the planned step change in our promotional cadence to enter the Spring season with reduced discounting. We had confidence in the range and had reshaped the price point mix to deliver value in today's retail environment, rather than relying on deeper and more frequent promotions.

"As expected, the reduction in promotional activity initially affected sales, particularly online where we comped higher promotional activity last year. However, we maintained our discipline, and sales momentum has since improved in response to the new season range, with materially healthier margins.

"Our full-price stores remain the key driver of City Chic's profitability, with strong comparable sales growth reflecting the positive customer response to improvements in product, quality and value. Higher trading gross margins in stores and online, a more profitable ANZ online sales mix with lower associated fulfilment costs, and a profitable USA operation are further strengthening our performance, delivering a materially more profitable Group.

"We enter the important Black Friday and Christmas trading period with a disciplined inventory position and significantly improved underlying economics. There is still important trading ahead, but the start to 1H





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FY27 gives us confidence in our strategy and our progress towards a sustainably profitable business into the future."

**Business Update**

| FY27 (weeks 1-18) | Comp Sales Growth | Comp Margin Growth | Sales Growth | GM$ Growth |
|---|---|---|---|---|
| ANZ | 2.6% | 5.0% | 0.2% | 3.8% |
| USA | -12.0% | 7.1% | -34.2% | -32.3% |
| *USA (ex WHS)* | - | - | *-13.0%* | *-8.7%* |
| **Total** | **1.2%** | **5.1%** | **-6.1%** | **-2.4%** |
| ***Total (ex WHS)*** | - | - | ***-1.7%*** | ***2.2%*** |
| | | | | |
| Stores | 15.4% | 15.5% | 7.5% | 11.5% |
| Online | -8.1% | -3.0% | -8.1% | -3.0% |
| Marketplace | 14.9% | 14.1% | -8.5% | -14.6% |
| Discontinued -WHS | - | - | -100% | -100% |
| **Total** | **1.2%** | **5.1%** | **-6.1%** | **-2.4%** |
| ***Total (ex WHS)*** | - | - | ***-1.7%*** | ***2.2%*** |

ANZ stores have delivered comparable sales growth in each of the first 18 weeks of FY27, with full-price stores delivering comparable sales growth of 19.6%. This performance reflects the Group's focus on improved product, reduced discounting and a more disciplined trading model.

Clearance stores also recorded improved profitability as the DFO strategy continued to gain traction. The total store network was seven stores smaller than in the PCP. Four stores have closed since June, and we have successfully opened Rouse Hill Town Centre, in October. Total store sales increased 7.5%, reflecting comparable store sales growth of 15.4%.

ANZ online trading gross margin was 200bps above the PCP, reflecting the planned reduction in promotional activity. Revenue momentum is improving as the Spring/Summer range builds, while a more profitable sales mix and lower total fulfilment costs are supporting earnings growth.

The Spring/Summer range has been well received. Changes to the assortment and price-point mix were designed to deliver value in the current retail environment and support the planned reduction in promotional activity. The improvement in gross margins and full-price sales mix reinforces City Chic's confidence in its product strategy and its focus on higher-quality product, full-price sales and sustainable customer engagement.

In the USA, the new winter collection has gained strong traction, with online trading gross margin 1,060bps above the PCP. The USA business remains profitable, while City Chic continues to focus on rebuilding sales momentum.

Operating costs remain tightly managed and aligned with trading activity. Together, the trading improvements and continued cost discipline are delivering materially improved profitability.

The Group's $10 million debt facility remains in place until 31 March 2028. The first of the two required FY27 clean downs has been completed, with the second expected to be completed in December 2026. City Chic does not expect to have any drawn debt at the end of 1H FY27. City Chic is expecting to generate positive EBIT in the first half, subject to continuing sales momentum into the busy Black Friday and Christmas trading period.

While retail conditions remain challenging and the peak trading period is still ahead, the trading performance to date reinforces the Group's confidence in its strategy. City Chic will provide a further update with its 1H FY27 results in February 2027.

The release of this announcement was authorised by the Board.

**About City Chic Collective**

City Chic Collective is a global omni-channel retailer specialising in better dressing plus-size women's apparel, footwear and accessories. Its omni-channel model comprises a network of 72 stores across Australia and New Zealand (ANZ) and websites operating in ANZ, the USA, and third-party marketplace and wholesale partners in Australia, New Zealand and the USA.

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