

city chic collective

14 January 2025

Trading Update for the 26 weeks to 29 December 2024¹

- Global sales revenue of \$69.5m
- Holiday trading period (weeks 21-26) +3.2% against PCP driven by ANZ (+9.0% vs PCP)
- Underlying EBITDA² of \$3m to \$4m, strong turnaround from EBITDA loss in 1H FY24 of \$4.4m
- Continued trading margin improvements in all regions, with 8.5% GM\$ growth against PCP
- Inventory of \$32.1m
- Net cash position of \$12.0m

City Chic Collective Limited (ASX: CCX) (“City Chic”, or the “Group”) today provided a trading update for the 26 weeks to 29 December 2024 (1H FY25) based on preliminary and unaudited numbers.

Group sales revenue for 1H FY25 is expected to be down approximately 3.6% to \$69.5m compared to the prior corresponding period (PCP). Strong momentum in margin improvement continued in the first half with trading GM\$ up 8.5% vs PCP. Revenue by region and channel is detailed further below.

The ANZ business continued its turnaround from 2H FY24, delivering a pleasing holiday trading period. Stores and the online business performed above the Group’s expectations.

Comparable sales were challenging for the USA business this period given the exclusion of Avenue branded products in Partner revenue. City Chic branded products in the USA showed 25% growth in the half and this momentum gives the Group the confidence to deliver the growth required in the second half.

Revenue growth by region (to PCP)	Weeks 1- 20 ³	Weeks 21 – 26	Total
ANZ	0.8%	9.0%	2.8%
Americas	-24.7%	-15.1%	-22.4%
Total	-5.8%	3.2%	-3.6%

The Group’s net cash position as at the end of 1H FY25 is expected to be \$12.0m.

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

“We are very pleased with the turnaround in the Group’s earnings, with the continued business moving from a loss of \$4.4m in the first half last year, to an expected EBITDA of between \$3.0m to \$4.0m in the current period. This outcome reflects a combination of the recovery in the ANZ business, improved trading gross margins and the significant cost savings achieved, with further cost savings to be realised in the second half.

“The ANZ recovery is particularly pleasing as this was one of our key strategic priorities leading into FY25. Our store and online business built strong momentum leading into the holiday period and delivered robust results from Black Friday through to the Christmas and Boxing Day trade. We expect this momentum to continue into H2. Additionally, our new summer product has been well-received and the increase in sell price has contributed to materially stronger margins.

¹ Based on preliminary, unaudited numbers for 1H FY25. All reporting is for the continuing operations, excluding EMEA and Avenue.

² Underlying EBITDA (post AASB 16) exclude non-recurring costs, including expenses related to the Northern Hemisphere warehouse re-location, costs associated with the capital raise and restructuring costs. Pre-AASB16 EBITDA loss of \$2m to \$3m vs PCP loss \$11.3m.

³ Statutory revenue presented in table. Trading revenue was previously presented at the November 2024 AGM which showed -4.8% total movement in weeks 1-20

“As outlined at our AGM in November, we now have the team in place to drive the continued recovery in ANZ and unlocking the opportunity we see in the USA business will become my primary focus. While US online performed largely in line with last year, the improvement in the US Partner business fell short of our expectations. However, the 25% growth in City Chic branded products through our websites and partners at materially higher gross margins highlights the opportunity for our brand in the market. With an enhanced summer range and broader City Chic assortment in market, we expect this momentum to continue. Realising the full potential of the USA business is now my top priority in the second half of FY25 and into FY26.”

Preliminary and Unaudited 1H FY25 revenue by region and channel

Revenue by Region (A\$ million)	1H FY25	1H FY24	Change
ANZ	55.3m	53.8m	2.8%
Americas	14.2m	18.3m	-22.4%
Total	69.5m	72.1m	-3.6%

Revenue by Channel (A\$ million)	1H FY25	1H FY24	Change
Stores	26.3m	26.8m	-1.8%
Online	35.0m	33.8m	3.6%
Partners	8.2m	11.5m	-28.8%
Total	69.5m	72.1m	-3.6%

- **ANZ:** 1H Revenue was \$55.3m, up 2.8% from PCP, while trading GM\$ was up 13.5%. Sales experienced good momentum in the second quarter, growing 8.9% vs a decline of 4.1% in Q1. Comp sales growth was 7.5% on PCP.
- **Americas:** 1H Revenue of \$14.2m was down 22.4% on the prior year driven by the Partner sales, while the USA online business was broadly flat to last year.
- **Partners:** 1H Revenue of \$8.2m (included in the regional numbers above) was down 28.8% overall on PCP.

Notice of FY25 Interim Results

City Chic will announce its audited 1H FY25 financial result for the 26 weeks to 29 December 2024 on Thursday, 27 February 2025.

Conference Call for Investors and Analysts

The City Chic management team will host a conference call for analysts and investors on 27 February at 09.30am AEDT to discuss the 1H FY25 results and business outlook.

All financial information included in this trading update is unaudited and remains subject to further review and finalisation.

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, USA, Canada.

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