

City Chic Collective Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	City Chic Collective Limited
ABN:	43 057 569 169
Reporting period:	For the 26 week period ended 28 December 2025
Previous period:	For the 26 week period ended 29 December 2024

2. Results for announcement to the market

			\$'000
Revenues from continuing operations	down	0.4% to	69,158
Loss for the period from continuing operations	down	47.6% to	(3,532)
Profit for the period from discontinued operations	down	100.0% to	-
Underlying EBITDA from continuing operations (post AASB 16)	up	84.0% to	6,503
Loss for the period attributable to the owners of City Chic Collective Limited	up	1.1% to	(3,532)

Comments

The loss from continuing operations for the consolidated entity after providing for income tax amounted to \$3,532,000 (29 December 2024: loss of \$6,744,000). The loss for the consolidated entity after providing for income tax amounted to \$3,532,000 (29 December 2024: loss of \$3,493,000).

Reconciliation of (loss) / profit after income tax from continuing operations to Underlying EBITDA (Earnings before interest, taxation, depreciation, amortisation, impairment and other adjustments) is provided as follows (Underlying EBITDA is a non IFRS measure):

	Consolidated	
	28 December	29 December
	2025	2024
	\$'000	\$'000
Net (loss) / profit after tax from continuing operations	(3,532)	(6,744)
Net interest expense (including AASB16 impact)	1,055	1,086
Tax expense	1,786	1,667
Depreciation, amortisation and impairment expense (including AASB16 impact)	7,194	7,054
Transaction costs	-	46
Northern Hemisphere warehouse relocation	-	425
Underlying operational EBITDA from continuing operations	6,503	3,534

3. Net tangible assets

	Reporting period	Previous period
	Cents	Cents
Net tangible assets per ordinary security	2.94	5.50

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of City Chic Collective Limited for the period ended 28 December 2025 is attached.

12. Signed



Signed _____

Date: 24 February 2026

Phil Ryan
Chief Executive Officer and Managing Director
Sydney

City Chic Collective Limited

ABN 43 057 569 169

Interim Report - 28 December 2025

City Chic Collective Limited

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28 December 2025

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General information

The condensed consolidated interim financial statements cover City Chic Collective Limited as a consolidated entity consisting of City Chic Collective Limited and the entities it controlled at the end of, or during the 26 week period ended 28 December 2025. The financial statements are presented in Australian dollars, which is City Chic Collective Limited's functional and presentation currency.

City Chic Collective Limited (ASX Code: CCX) is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

151-163 Wyndham Street
Alexandria, NSW 2015
Telephone: (02) 9059 4300

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 February 2026.

City Chic Collective Limited
Directors' report
28 December 2025

The directors present their report, together with the interim financial statements, on the consolidated entity (referred to hereafter as the 'Group', 'consolidated entity' or 'City Chic') consisting of City Chic Collective Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the 26 week period ended 28 December 2025 (referred to hereafter as 28 December 2025).

Directors

The following persons were directors of the City Chic Collective Limited during the financial period and up to the date of this report, unless otherwise stated:

Michael Kay
Natalie McLean
Neil Thompson
Phil Ryan
Megan Quinn (retired 28 August 2025)

Principal activities

City Chic is an omni-channel retailer specialising in plus-size women's apparel, footwear and accessories. Its omni-channel model comprises of a network of 80 stores across Australia and New Zealand (ANZ); and websites operating in ANZ and the USA, as well as marketplace and wholesale partnerships in both regions.

The Company divested the Avenue business in the prior period. Accordingly, the prior period comparative information reflects this strategic decision, with the results presented for the continuing operations in ANZ and USA, while the Avenue business is classified as a discontinued operation.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Operating and financial review

The loss for the consolidated entity after providing for income tax amounted to \$3,532,000 (29 December 2024: loss of \$3,493,000). The prior period includes a gain from discontinued operations of \$3,251,000.

Continuing the momentum achieved in the prior financial year, City Chic's continuing operations delivered a significant improvement in profitability compared with the prior corresponding period (PCP). Underlying earnings before interest and tax (EBITDA) increased to \$6.5 million, representing an 84% improvement on PCP (\$3.1 million). The net loss after income tax expense (NPAT) from continuing operations reduced by 48% to \$3.5 million, compared with a loss of \$6.7 million in the PCP.

Both GM% and average selling price (ASP) continued to improve as customers responded positively to product elevation initiatives. Customer numbers remained resilient, and the focus on high-value customers continued to deliver favourable outcomes.

The USA business continued to make a profitable contribution to the group and exceeded sales expectations, despite a deliberate reduction in inventory in response to tariff-related volatility. The resilience of the US consumer was encouraging, with underlying strength evident in direct-to-consumer channels.

Costs remained well controlled, with ongoing discipline applied to ensure the cost base remained appropriately aligned with trading performance.

During the half, all debt was fully repaid, with clean-down covenants for FY26 met. The period ended December with no drawn debt and total cash of \$5.4 million. In addition, the \$10 million debt facility was extended through to 31 March 2028, with existing covenant arrangements maintained.

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the consolidated entity during the period.

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 28 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

City Chic Collective Limited
Directors' report
28 December 2025

Rounding of amounts

The Group is of a kind referred to in *Corporations Instrument 2016/191* relating to 'rounding-off', issued by the Australian Securities and Investments Commission. Amounts in this report have been rounded off in accordance with that *Corporations Instrument* to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4 and forms part of this report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the directors



Michael Kay
Chairman



Phil Ryan
Chief Executive Officer and Managing Director

24 February 2026

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of City Chic Collective Limited for the half year ended 28 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read 'G. Sherwood', with the initials 'GNS' written to the right.

Gary Sherwood
Partner

Sydney, NSW
Dated: 24 February 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of City Chic Collective Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of City Chic Collective Limited which comprises the statement of financial position as at 28 December 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of City Chic Collective Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 28 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of City Chic Collective Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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Directors' Responsibility for the Half-Year Financial Report

The directors of the City Chic Collective Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

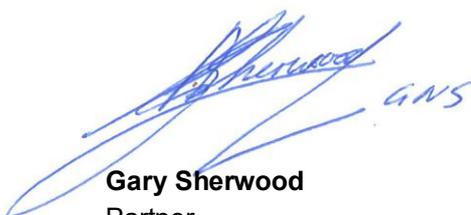
Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 28 December 2025 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

RSM

RSM AUSTRALIA PARTNERS



GNS

Gary Sherwood
Partner

Sydney, 24 February 2026

City Chic Collective Limited
Statement of profit or loss and other comprehensive income
For the period ended 28 December 2025

	Note	Consolidated 28 December 2025 \$'000	Consolidated 29 December 2024 \$'000
Revenue from continuing operations	3	69,158	69,459
Interest and Other income	3	183	251
Expenses			
Purchase and inbound-related costs of inventory		(27,080)	(28,405)
Fulfilment costs		(9,149)	(8,616)
<i>Cost of sales</i>		<u>(36,229)</u>	<u>(37,021)</u>
Employee benefits expense		(13,763)	(14,933)
Depreciation, amortisation and impairment expense		(7,194)	(7,054)
Rental-related recoveries, concessions and expenses		(1,403)	(979)
Other expenses		(11,443)	(13,714)
Finance costs		<u>(1,055)</u>	<u>(1,086)</u>
Loss before income tax expense from continuing operations		(1,746)	(5,077)
Income tax expense		<u>(1,786)</u>	<u>(1,667)</u>
Loss after income tax expense from continuing operations		(3,532)	(6,744)
Profit after income tax expense from discontinued operations	5	<u>-</u>	<u>3,251</u>
Loss after income tax expense for the period attributable to the owners of City Chic Collective Limited	17	(3,532)	(3,493)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>(1,106)</u>	<u>(2,075)</u>
Other comprehensive income for the period, net of tax		<u>(1,106)</u>	<u>(2,075)</u>
Total comprehensive income for the period attributable to the owners of City Chic Collective Limited		<u>(4,638)</u>	<u>(5,568)</u>
Total comprehensive income for the period is attributable to:			
Continuing operations		(4,638)	(8,819)
Discontinued operations	5	<u>-</u>	<u>3,251</u>
		<u>(4,638)</u>	<u>(5,568)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

City Chic Collective Limited
Statement of profit or loss and other comprehensive income
For the period ended 28 December 2025

		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of City Chic Collective Limited			
Basic earnings per share	21	(0.9)	(1.8)
Diluted earnings per share	21	(0.9)	(1.8)
Earnings per share for profit from discontinued operations attributable to the owners of City Chic Collective Limited			
Basic earnings per share	21	-	0.9
Diluted earnings per share	21	-	0.9
Earnings per share for loss attributable to the owners of City Chic Collective Limited			
Basic earnings per share	21	(0.9)	(0.9)
Diluted earnings per share	21	(0.9)	(0.9)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

City Chic Collective Limited
Statement of financial position
As at 28 December 2025

	Note	Consolidated	
		28 December 2025 \$'000	29 June 2025 \$'000
Assets			
Current assets			
Cash and cash equivalents		5,433	7,952
Trade and other receivables	6	4,005	4,458
Inventories	7	24,603	27,088
Income tax refund due		7	52
Other assets	8	1,090	1,752
Total current assets		35,138	41,302
Non-current assets			
Receivables		48	83
Plant and equipment	9	8,055	8,016
Right-of-use assets	13	22,935	22,471
Intangibles	10	18,278	19,369
Deferred tax		12,082	13,792
Total non-current assets		61,398	63,731
Total assets		96,536	105,033
Liabilities			
Current liabilities			
Trade and other payables	11	27,616	23,919
Borrowings	12	-	5,000
Lease liabilities		10,761	11,110
Income tax		29	75
Provisions		4,676	4,783
Other liabilities		1,480	1,483
Total current liabilities		44,562	46,370
Non-current liabilities			
Lease liabilities		20,802	20,950
Provisions		1,569	1,298
Total non-current liabilities		22,371	22,248
Total liabilities		66,933	68,618
Net assets		29,603	36,415
Equity			
Issued capital	15	183,537	196,908
Reserves	16	(10,890)	(19,604)
Accumulated losses	17	(143,044)	(140,889)
Total equity		29,603	36,415

The above statement of financial position should be read in conjunction with the accompanying notes

City Chic Collective Limited
Statement of changes in equity
For the period ended 28 December 2025

Consolidated	Issued capital \$'000	Share-based payments \$'000	Foreign Currency Translation reserve \$'000	Loss reserve \$'000	Retained profits / (losses) \$'000	Total equity \$'000
Balance at 1 July 2024	195,531	(16,849)	2,782	(10,991)	(135,353)	35,120
Loss after income tax expense for the period	-	-	-	-	(3,493)	(3,493)
Other comprehensive income for the period, net of tax	-	-	(2,075)	-	-	(2,075)
Total comprehensive income for the period	-	-	(2,075)	-	(3,493)	(5,568)
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs	8,328	-	-	-	-	8,328
Share-based payments (Note 14)	-	317	-	-	-	317
Loan funded shares held in trust (Note 14)	(6,951)	-	-	-	-	(6,951)
Refund of loan funded shares held in trust	-	6,951	-	-	-	6,951
Balance at 29 December 2024	196,908	(9,581)	707	(10,991)	(138,846)	38,197
Consolidated	Issued capital \$'000	Share-based payments \$'000	Foreign Currency Translation reserve \$'000	Loss reserve \$'000	Retained profits / (losses) \$'000	Total equity \$'000
Balance at 30 June 2025	196,908	(9,581)	968	(10,991)	(140,889)	36,415
Loss after income tax expense for the period	-	-	-	-	(3,532)	(3,532)
Other comprehensive income for the period, net of tax	-	-	(1,106)	-	-	(1,106)
Total comprehensive income for the period	-	-	(1,106)	-	(3,532)	(4,638)
<i>Transactions with owners in their capacity as owners:</i>						
Share-based payments (Note 14)	-	(3,551)	-	-	1,377	(2,174)
Cancellation of loan funded shares	(13,371)	13,371	-	-	-	-
Balance at 28 December 2025	183,537	239	(138)	(10,991)	(143,044)	29,603

The above statement of changes in equity should be read in conjunction with the accompanying notes

City Chic Collective Limited
Statement of cash flows
For the period ended 28 December 2025

	Note	Consolidated 28 December 2025 \$'000	29 December 2024 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		76,558	80,233
Payments to suppliers and employees (inclusive of GST)		(66,291)	(89,069)
		10,267	(8,836)
Interest received		65	161
Other revenue		6	19
Interest and other finance costs paid		(228)	(223)
Income taxes paid		(52)	-
Net cash from/(used in) operating activities		10,058	(8,879)
Cash flows from investing activities			
Payments for property, plant and equipment	9	(1,693)	(288)
Payments for intangibles	10	(138)	(269)
Proceeds from disposal of business		-	15,203
Net cash from/(used in) investing activities		(1,831)	14,646
Cash flows from financing activities			
Proceeds from issue of shares		-	8,437
Share issue transaction costs		-	(108)
Repayment of borrowings	12	(5,000)	(17,500)
Repayment of lease liabilities		(5,672)	(6,149)
Net cash used in financing activities		(10,672)	(15,320)
Net decrease in cash and cash equivalents		(2,445)	(9,553)
Cash and cash equivalents at the beginning of the financial period		7,952	21,434
Effects of exchange rate changes on cash and cash equivalents		(74)	127
Cash and cash equivalents at the end of the financial period		5,433	12,008

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 28 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 29 June 2025 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. All amounts are presented in Australian dollars, unless otherwise noted.

Rounding of amounts

The company is of a kind referred to in *Corporations Instrument 2016/191* relating to 'rounding-off', issued by the Australian Securities and Investments Commission. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Comparative amounts

Where management has considered appropriate to achieve more relevant and reliable presentation of the entity's financial performance, the presentation of certain items in the financial statements has changed since the prior year. Where this re-presentation of results requires reclassification of comparative amounts, the comparatives have been re-presented to achieve more relevant and reliable presentation and comparability.

Going concern

The Directors have prepared the financial statements on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the discharge of liabilities in the ordinary course of business.

The business saw continued improvement in profitability over the period. While overall the company did incur a loss after income tax for the half-year ended 28 December 2025 of \$3.5 million (29 December 2024 loss of \$6.7 million), the net cashflow from operating activity for the period was \$10.1 million (vs -\$8.9 million in PCP). The Group's debt facility of \$10.0m was undrawn at period-end and all clean-down requirements have been met for FY26. The debt facility was also extended to 31 March 2028, while maintaining existing covenant arrangements.

Net operating cashflow is forecasted to remain in a positive position going forward and the debt facility is fully available to fund any timing differences between payments and cash receipts and the forecasted cashflow, which demonstrates the Company's ability to pay its debts as and when they fall due, making the going concern assumption appropriate at the time of signing.

Amendments to Accounting Standards that are mandatorily effective for the current reporting period

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial half-year ended 28 December 2025 and are not expected to have any significant impact for the full financial year ending 28 June 2026.

Note 2. Operating segments

Identification of reportable operating segments

The Group's overall strategy remains to operate as an omni-channel retailer, focused on the plus-size market and as such the consolidated entity is organised into one operating segment, being fashion retail. Despite having numerous brands and geographies, the Chief Executive Officer (who is identified as the Chief Operating Decision Maker ('CODM')) assesses the performance and determines the allocation of resources at a single segment, consolidated level with each part of the business exhibiting similar long-term financial performance and economic characteristics.

The CODM assess the performance of the operating segment based on a measure of EBITDA (Earnings before interest, tax, depreciation, amortisation and impairment, and other adjustments). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on at least a monthly basis, including daily and weekly reporting on key metrics.

Major customers

There is no revenue that is significant from any particular customer. Segment revenue from external parties, assets and liabilities are all reported to the CODM in a manner consistent with the financial statements.

Revenue by geographical area

The Group operates in the following geographical regions:

Australia and New Zealand (ANZ) – current operations in Australia and New Zealand. Both regions serviced by stores, website and marketplace;

USA – current operations in United States are comprised of online (website and marketplace) and wholesale.

Refer to Note 3 'Revenue' for details on revenue by geographical area.

Reconciliation of net profit to Underlying EBITDA

Reconciliation of net profit after income tax from continuing operations to Underlying EBITDA (Earnings before interest, taxation, depreciation, amortisation, impairment, and other adjustments) is provided as follows (underlying EBITDA is a non IFRS measure):

	Consolidated	
	28 December 2025 \$'000	29 December 2024 \$'000
Net (loss) / profit after tax from continued operations	(3,532)	(6,744)
Net interest expense (including AASB16 impact)	1,055	1,086
Tax expense	1,786	1,667
Depreciation, amortisation and impairment expense (including AASB16 impact)	7,194	7,054
Transaction costs	-	46
Northern Hemisphere warehouse relocation	-	425
Underlying operational EBITDA - post-AASB 16	6,503	3,534

Note 3. Revenue

	Consolidated	
	28 December 2025 \$'000	29 December 2024 \$'000
From continuing operations		
Sale of goods	69,158	69,459
<i>Disaggregation of revenue</i>		
The disaggregation of revenue from contracts with customers is as follows:		
	Consolidated	
	28 December 2025 \$'000	29 December 2024 \$'000
<i>Geographical regions</i>		
ANZ	59,413	55,296
USA	9,745	14,163
	69,158	69,459
<i>Channel</i>		
Online website	36,254	34,991
Stores	27,151	26,139
Partners	5,753	8,329
	69,158	69,459
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	69,158	69,459
	Consolidated	
	28 December 2025	29 December 2024
Interest and other revenue		
Interest income	65	161
Other income	118	90
	183	251

City Chic Collective Limited
Notes to the financial statements
28 December 2025

Note 4. Expenses

	Consolidated	
	28 December 2025	29 December 2024
Purchase and inbound-related costs of inventory	27,080	28,405
Fulfilment costs	9,149	8,616
Depreciation, amortisation, and impairment expense (excluding AASB16 charges)	1,920	2,309
Depreciation on ROU assets	5,274	4,745
Rental-related expenses	1,403	979
Employee benefits expense excluding superannuation and share-based payments	14,428	13,361
Defined contribution superannuation expenses	1,403	1,254
Share-based payments (gain) / expense (Note 14)	(2,068)	318
	58,589	59,987

	Consolidated	
	28 December 2025 \$'000	29 December 2024 \$'000
Other expenses		
Utility and maintenance expenses	2,404	2,356
Transactional fees and charges	1,160	1,164
Marketing expenses	1,549	2,380
Advertising expenses	4,249	4,302
Professional, consulting and insurance	1,024	1,459
Foreign exchange (gain) / loss	(169)	611
Sundry	1,226	1,442
	11,443	13,714

Note 5. Discontinued operations

There were no discontinued operations in the current year. The prior year represents discontinued operations from the divestment of the US based Avenue business to Full Beauty Brands (FBB) whereby the Group continued to operate the Avenue business throughout the ownership transition period under a Transition Services Agreement. All activity related to these transactions was recorded under discontinued operations in the prior reporting period. The transaction was completed on 8 July 2024.

Financial performance information

	Consolidated	
	28 December 2025 \$'000	29 December 2024 \$'000
Revenue from discontinued operations	-	2,057
Expense from discontinued operations	-	(3,187)
Loss before income tax expense	-	(1,130)
Gain / (loss) on disposal	-	226
Unwind of FCTR on disposal	-	4,155
Income tax expense	-	-
Profit after income tax expense from discontinued operations	-	3,251

Note 5. Discontinued operations (continued)

Carrying amounts of assets and liabilities disposed

The Avenue transaction had no impact on the Group's balance sheet as at 29 December 2024 or 28 December 2025.

Note 6. Trade and other receivables

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Trade receivables	1,888	2,747
Less: Allowance for expected credit losses	(44)	(181)
	<u>1,844</u>	<u>2,566</u>
Other receivables	2,161	1,892
Total trade and other receivables	<u>4,005</u>	<u>4,458</u>

Note 7. Inventories

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Finished goods at cost	25,827	28,940
Less: Provision for obsolescence	(1,224)	(1,852)
Total inventories	<u>24,603</u>	<u>27,088</u>

Finished goods has decreased by \$3.1m (11%) and the provision for obsolescence has decreased by \$0.6m (34%).

Note 8. Other assets

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Prepayments	808	1,424
Right of return assets	282	328
Total other assets	<u>1,090</u>	<u>1,752</u>

The right of return assets corresponds to the sales return provision balance of \$0.9m (29 June 2025: \$0.9m) which is classified in current provisions.

City Chic Collective Limited
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Note 9. Plant and equipment

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Plant and equipment - at cost	32,003	30,674
Less: Accumulated depreciation	<u>(23,948)</u>	<u>(22,658)</u>
Total plant and equipment	<u>8,055</u>	<u>8,016</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

Consolidated	Plant and equipment \$'000
Balance at 30 June 2025	8,016
Additions	1,693
Disposals	(1)
Depreciation expense	(1,639)
Exchange differences	<u>(14)</u>
Balance at 28 December 2025	<u>8,055</u>

In accordance with the Group's accounting policy, management evaluated impairment indicators for property, plant and equipment at the half-year reporting date and concluded that no impairment triggers were identified.

Note 10. Intangibles

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Goodwill - at cost	17,362	18,302
Other intangible assets - at cost	9,704	8,158
Less: Accumulated amortisation	<u>(8,788)</u>	<u>(7,091)</u>
	916	1,067
Total intangibles	<u>18,278</u>	<u>19,369</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

Consolidated	Goodwill \$'000	Other intangibles \$'000	Total \$'000
Balance at 30 June 2025	18,302	1,067	19,369
Additions	-	138	138
Amortisation expense	-	(281)	(281)
Exchange differences	<u>(940)</u>	<u>(8)</u>	<u>(948)</u>
Balance at 28 December 2025	<u>17,362</u>	<u>916</u>	<u>18,278</u>

Note 10. Intangibles (continued)

Impairment

Intangible assets with a finite life are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that have an indefinite useful life, including goodwill, are not subject to amortisation and are tested annually for impairment irrespective of whether there are any indicators of impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash generating units.

Goodwill and Brand impairment assessment

Determining whether goodwill or brand assets are impaired requires an estimation of the value-in-use of the cash-generating units (CGUs) to which the intangible has been allocated. These calculations reflect an estimated cash flow projection based on a five-year forecast and requires the use of assumptions, including estimated discount rates; growth rates of estimated future cash flows; and terminal growth rates. The CGU for goodwill and brand assets is assessed at a consolidated Group level, in line with the one operating segment used in its reporting.

The discounted cash flow valuations were calculated using projected future cash flows based on Board approved business plans. Business plans are modelled assuming like for like sales growth based on historical performance considering changing market conditions.

The key assumptions used by management in setting the financial budgets for the initial five-year period were as follows:

(i) *Forecast sales growth rates*

Forecast sales growth rates are based on past experience adjusted for economic conditions and the strategic decisions made in respect of the CGU.

(ii) *Gross margin rates*

Gross margin rates against sales are estimated based on sales channel and region mix and adjusted for economic conditions and the strategic decisions made in respect of the CGU.

(iii) *Fulfilment costs*

Fulfilment costs assumptions are based on long-term 3PL agreements in each region and market freight rates.

(iv) *Operating profits*

Operating profits are forecasted based on historical experience of operating margins, adjusted for the above impact of changes to product and fulfilment costs and cost saving initiatives.

(v) *Cash conversion*

Cash conversion is the ratio of operating cash flow to operating profit. Forecasted cash conversion rates are based on historical experience.

The discount rates used in the value-in-use calculations at 29 June 2025, are pre-tax and reflect management's estimate of the time value of money, as well as the risks specific to the CGU. The discount rates have been determined using the average weighted cost of capital and the current market risk-free rate, adjusted for relevant business risks. The discount rate is applied in the current year value-in-use model: 15.5%. The slightly lower discount rate year-on-year is a result of reduced cost of debt and a lower risk premium based on the more simplified business post the divestment of the Avenue and EMEA businesses. A terminal growth rate of 2.5% has been assumed in the value-in-use calculation and reflects the long-term growth expectations beyond the five-year forecast horizon.

The calculations performed at 29 June 2025 confirmed that there was no impairment of goodwill and brand assets intangibles from continuing operations, with excess headroom remaining when performing sensitivity analysis. In performing the sensitivity analysis, management considered a stressed scenario due to volatile macro-economic conditions, and no impairment was identified. Any further deterioration in any of these assumptions could cause the carrying value to exceed the recoverable amount resulting in an impairment.

No indicators of impairment were identified at 28 December 2025. Based upon circumstances that impact on key assumptions at the time of this report, including the current volatility in economic conditions, management believes that any reasonable possible change in the key assumptions used in the 29 June 2025 calculations would not cause the carrying amount to exceed its recoverable amount.

Note 11. Trade and other payables

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Trade payables	13,000	8,579
Sundry creditors	4,758	4,024
Other payables	9,858	11,316
Total trade and other payables	27,616	23,919

Refer to Note 19 'Financial instruments' for further information on financial instruments.

Note 12. Borrowings

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Bank loans	-	5,000
Total borrowings	-	5,000

The Company extended the term of its \$10 million debt facility to 31 March 2028. At period-end the facility remains undrawn and the Company has already met the clean-down requirements for the current period.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Refer to Note 19 'Financial instruments' for further information on financial instruments.

Note 13. Right-of-use assets

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Right-of-use assets	51,566	48,712
Less: Accumulated depreciation	(28,631)	(26,241)
Total right-of-use assets	22,935	22,471

City Chic Collective Limited
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Note 13. Right-of-use assets (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

Consolidated	Right-of-use assets \$'000
Balance at 30 June 2025	22,471
Additions	5,224
Disposals	(2,213)
Accumulated depreciation upon disposal	2,213
Depreciation expense	(5,274)
Deferred lease incentives	575
Exchange differences	(61)
Balance at 28 December 2025	<u>22,935</u>

Note 14. Share-based payments

The Group's long-term incentives reward executives for high performance and ongoing commitment over a three to five-year horizon and recognises the important role executives play in delivering the long-term profitable growth of the Group.

The Group's long-term incentives were comprised of the Long-Term Incentive Plan (LTIP) and the Loan Funded Share Plan (LFSP). The following share-based payment arrangements were in existence during the current period:

Performance rights

Tranche	Grant date	Performance period end date	Fair value at grant date	Share price at grant date	Expected volatility	Dividend yield	Risk free interest rate%	Opening balance at 30 June 2025	Granted	Vested	Expired / forfeited / other	Closing balance at 28 December 2025
5A	22/11/2023	30/06/2027	0.34	0.34	60.00%	-	4.02%	2,340,000	-	-	(2,340,000)	-
5B	19/11/2023	30/06/2026	0.55	0.55	60.00%	-	3.69%	3,209,827	-	-	(3,209,827)	-
6	24/03/2025	30/11/2025	0.10	0.10	60.00%	-	3.69%	1,080,000	-	(1,040,000)	(40,000)	-
FY26	13/11/2025	02/07/2025	0.09	0.09	60.00%	-	3.69%	-	12,875,109	-	-	12,875,109
								6,629,827	12,875,109	(1,040,000)	(5,589,827)	12,875,109

Loan Funded Shares

Tranche	Grant date	Performance period end date	Fair value at grant date	Share price at grant date	Expected volatility	Dividend yield	Risk free interest rate%	Opening balance at 30 June 2025	Granted	Vested	Expired / forfeited / other	Closing balance at 28 December 2025
3	21/11/2019	30/06/2024	\$0.739	\$2.68	35.00%	N/A	0.81%	3,704,975	-	-	(3,704,975)	-
3	03/03/2020	30/06/2024	\$0.731	\$2.79	35.00%	N/A	0.81%	667,464	-	-	(667,464)	-
3	16/09/2020	30/06/2024	\$0.970	\$3.33	40.00%	N/A	0.29%	474,576	-	-	(474,576)	-
								4,847,015	-	-	(4,847,015)	-

Note 14. Share-based payments (continued)

Tranche 5 (FY24) Performance Rights

During the reporting period, management reassessed the likelihood of achieving the performance hurdles of the Tranche 5 Performance Rights, in accordance with *AASB 2 Share-based Payment*. Based on the Company's latest financial forecasts and expected performance against the relevant non-market vesting conditions, management determined that it was no longer probable that these vesting conditions would be satisfied. Accordingly, the Company revised its estimate of awards expected to vest to nil and reversed the cumulative share-based payment expense previously recognised, with the resulting credit recognised in profit or loss for the period.

Subsequent to this assessment and as part of the 2025 Annual General Meeting process, management and the Board resolved to cancel the FY24 incentive plan in order to reset the Company's long-term incentive framework and commence a new 3-year-program for FY26.

Loan Funded Shares

The probability of the loan funded shares ever being exercised by the two remaining employees was also reassessed during the period given the large variance between the exercise price and current market share price. It was determined that it was highly unlikely that the market value would reach the loan funded shares value within the required time frame. Based on this assessment and as part of the 2025 Annual General Meeting process, management and the Board resolved to cancel the loans and performed a buy-back and cancellation of the loan funded shares for no consideration and with no impact to the P&L.

FY26 Tranche

Vesting Condition 1	The sole Performance Condition requires the Company to achieve at least the threshold Earnings before Interest Tax Depreciation and Amortisation (EBITDA) Margin (post AASB16) on the expiration of the three-year performance period commencing 30 June 2025 and ending on 2 July 2028.
Vesting Condition 2	Continued service to 30 June 2028

Weighting	EBITDA Margin	Percentage of FY26 Performance Rights that will satisfy the Performance Condition
100%	10% (threshold) Between threshold and stretch 18% (stretch)	30% Straight line pro rata basis between threshold and stretch. 100%

In the current period a \$2.1m net gain to the P&L has been recognised for share-based payments (29 December 2024: \$0.3m expense).

Note 15. Issued capital

	Consolidated			
	28 December 2025 Shares	29 June 2025 Shares	28 December 2025 \$'000	29 June 2025 \$'000
Ordinary shares - fully paid	<u>385,157,793</u>	<u>390,004,808</u>	<u>183,537</u>	<u>196,908</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$'000
Balance	30 June 2025	390,004,808		196,908
Cancellation of loan funded shares held in trust		<u>(4,847,015)</u>	\$0.00	<u>(13,371)</u>
Balance	28 December 2025	<u>385,157,793</u>		<u>183,537</u>

Note 15. Issued capital (continued)

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value, and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Cancellation of loan funded shares held in trust

As disclosed in Note 14 'Share-based payments', during the current period the Board exercised its discretion to undertake a buy-back and cancellation of the remaining 2019 Loan Funded Share Plan. See Note 16 'Reserves' for corresponding reduction in the Loan Funded Shares Reserve.

Share buy-back

There is no current on-market share buy-back.

Note 16. Reserves

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Foreign currency reserve	(138)	968
Share-based payments reserve	239	3,790
Loan funded shares held in trust (Note 15)	-	(13,371)
Loss Reserve	(10,991)	(10,991)
Total reserves	<u>(10,890)</u>	<u>(19,604)</u>

Note 17. Accumulated losses

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Accumulated losses at the beginning of the financial period	(140,889)	(135,354)
Loss after income tax expense for the period	(3,532)	(5,535)
Transfer from options reserve	1,377	-
Total accumulated losses	<u>(143,044)</u>	<u>(140,889)</u>

Cancellation of loan funded shares held in trust

As disclosed in Note 14 'Share-based payments', during the current period the Board exercised its discretion to undertake a buy-back and cancellation of the remaining 2019 Loan Funded Share Plan. The residual balance left in loan funded shares held in trust Note 16 'Reserves' has been transferred to accumulated losses. This was a reclassification within equity and did not impact the Statement of Profit or Loss.

Note 18. Dividends

Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

City Chic Collective Limited
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Note 18. Dividends (continued)

Franking credits

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Franking credits available at the reporting date based on a tax rate of 30%	67,566	67,566
Franking credits available for subsequent financial years based on a tax rate of 30%	<u>67,566</u>	<u>67,566</u>

Note 19. Financial instruments

Financial assets and financial liabilities are accounted for at amortised cost. The Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values:

	Consolidated	
	28 December 2025 \$'000	29 June 2025 \$'000
Financial assets (at amortised cost)		
Cash and cash equivalents	5,433	7,952
Trade and other receivables – current	4,005	4,458
Trade and other receivables – non-current	48	83
	<u>9,486</u>	<u>12,493</u>
Financial liabilities		
Trade and other payables	27,616	23,919
Lease liabilities – current	10,761	11,110
Lease liabilities – non-current	20,802	20,950
Borrowings	-	5,000
	<u>59,179</u>	<u>60,979</u>

Note 20. Related party transactions

There were no related party transactions in the current period or prior period.

Note 21. Earnings per share

	Consolidated	
	28 December 2025 \$'000	29 December 2024 \$'000

Earnings per share for loss from continuing operations

Loss after income tax attributable to the owners of City Chic Collective Limited	<u>(3,532)</u>	<u>(6,744)</u>
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	Consolidated	
	28 December 2025 \$'000	29 December 2024 \$'000

Earnings per share for profit from discontinued operations

Profit after income tax attributable to the owners of City Chic Collective Limited	<u>-</u>	<u>3,251</u>
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City Chic Collective Limited
Notes to the financial statements
28 December 2025

Note 21. Earnings per share (continued)

	Consolidated	
	28 December 2025 \$'000	29 December 2024 \$'000
<i>Earnings per share for loss</i>		
Loss after income tax attributable to the owners of City Chic Collective Limited	<u>(3,532)</u>	<u>(3,493)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	385,157,793	378,414,495
Adjustments for calculation of diluted earnings per share:		
Performance rights	-	-
Loan funded shares	-	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>385,157,793</u>	<u>378,414,495</u>
Performance rights have not been considered for dilution in the current year as they are anti-dilutive for the period presented.		
	Cents	Cents
Earnings per share for the loss from continuing operations		
Basic earnings per share	(0.9)	(1.8)
Diluted earnings per share	(0.9)	(1.8)
	Cents	Cents
Earnings per share for the loss from discontinuing operations		
Basic earnings per share	-	0.9
Diluted earnings per share	-	0.9
	Cents	Cents
Earnings per share for the loss attributed to the owners of City Chic Collective Limited		
Basic earnings per share	(0.9)	(0.9)
Diluted earnings per share	(0.9)	(0.9)

Note 22. Events after the reporting period

No matter or circumstance has arisen since 28 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

City Chic Collective Limited
Directors' declaration
28 December 2025

In accordance with a resolution of the directors of City Chic Collective Limited, I state that:

In the opinion of the directors:

- The interim financial statements and notes of the Company and its subsidiaries (collectively the Group) are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the Group's financial position as at 28 December 2025 and of its performance for the half-year ended on that date; and
 - (ii) Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*; and
- There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the board



Michael Kay
Chairman



Phil Ryan
Chief Executive Officer and Managing Director

24 February 2026