

PERFORMANCE BY SEGMENT

CCC [PLNm]	Q4 2021 (November 2021-January 2022)	Q4 2022 (November 2022-January 2023)	Δ Q4 2022- Q4 2021	YOY
Revenue	857	1,041	184	21%
Gross profit	462	492	30	6%
<i>gross margin [%]</i>	53.9%	47.3%		-6.6pp
Selling and administrative costs	-563	-545	18	-3%
<i>cost ratio [%]</i>	65.7%	52.4%		-13.3pp
Other income/expenses and impairment losses	60	28	-32	-53%
EBIT	-41	-25	16	
<i>EBIT margin [%]</i>	-4.8%	-2.4%		2.4pp
EBITDA	72	74	2	3%
<i>EBITDA margin [%]</i>	8.4%	7.1%		-1.3pp
Adjusted* EBITDA	12	46	34	277%
<i>adjusted EBITDA margin [%]</i>	1.4%	4.4%		3.0pp

The figures in the table include the results of the CCC omnichannel segment and the Other Activities segment

* EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items)

- Revenue in the CCC segment up by 21% yoy with retail space broadly flat yoy and rightsized inventory levels (-32% yoy).
- Omnichannel sales/m² up by 26% yoy with the metric improved yoy for the eighth consecutive quarter.
- Growing contribution of ccc.eu to the segment's revenue (up by +10pp yoy to 30%) with sales up by 81% yoy and faster qoq revenue growth.
- The drop in gross margin was led by: 1) macro headwinds (PLN depreciation, supply chain inflation), 2) weaker consumer purchasing power (pressure put by high inflation and interest rates on disposable incomes), 3) planned inventory rightsizing (priority given to reselling collections and optimising working capital), (4) weather not conducive to reselling AW collections.
- Selling and administrative costs down yoy (by 3%) despite higher sales (up by +21%) and an inflationary business environment. Positive contribution of the implemented cost reduction programme.

HalfPrice [PLNm]	Q4 2021 (November 2021–January 2022)	Q4 2022 (November 2022–January 2023)	Δ Q4 2022– Q4 2021	YOY
Revenue	115	285	170	148%
Gross profit	46	124	79	171%
<i>gross margin [%]</i>	39.9%	43.6%		3.7pp
Selling and administrative costs	-92	-118	-26	29%
<i>cost ratio [%]</i>	79.8%	41.4%		-38.4pp
Other income/expenses and impairment losses	-4	7	11	
EBIT	-50	13	63	
<i>EBIT margin [%]</i>	-43.8%	4.6%		48.4pp
EBITDA	-35	36	71	
<i>EBITDA margin [%]</i>	-30.3%	12.6%		42.9pp
Adjusted* EBITDA	-30	29	59	
<i>adjusted EBITDA margin [%]</i>	-26.4%	10.2%		36.6pp

The figures in the table include the results of the Halfprice omnichannel segment

* EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items)

- HalfPrice’s revenue up 148% yoy with a 94% yoy growth in retail space.
- Continued growth in LFL sales (up by +30% yoy), mainly on the back of a 40% yoy increase in traffic.
- Gross margin up by almost 4pp yoy driven by expanding supplier relationships, assortment optimisation and order volumes.
- Costs growing at a considerably slower rate than retail space and revenue – contribution of operating leverage to improved profitability.
- Solid, double-digit EBITDA margin (12.6%), up by 42.9pp yoy and 0.3pp qoq.

MODIVO Group [PLNm]	Q4 2021 (November 2021–January 2022)	Q4 2022 (November 2022–January 2023)	Δ Q4 2022– Q4 2021	YOY
Revenue*	1,029	1,104	75	7%
eobuwie.pl	801	781	-20	-2%
Modivo	228	323	95	42%
Gross profit	421	417	-4	-1%
<i>gross margin [%]</i>	41.0%	37.8%		-3.2pp
Selling and administrative costs	-374	-457	-83	22%
<i>cost ratio [%]</i>	36.4%	41.4%		5.0pp
Other income/expenses and impairment losses	-2	4	5	
EBIT	45	-36	-81	
<i>EBIT margin [%]</i>	4.4%	-3.3%		-7.7pp
EBITDA	61	-15	-77	
<i>EBITDA margin [%]</i>	6.0%	-1.4%		-7.4 pp
Adjusted** EBITDA	63	-19	-82	
<i>adjusted EBITDA margin [%]</i>	6.1%	-1.7%		-7.9pp

The figures in the table include the consolidated results of the MODIVO Group

* Revenue includes transactions with the CCC Group (current period: PLN 10.4m, comparative period: PLN 9.4m).

** EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items)

- Modivo Group's revenue up about 7% yoy. Sales growth driven mainly by Modivo (+42%) and the eobuwie hybrid store chain (+40%). Revenue in the multibrand e-commerce segment under pressure from the demanding competitive environment.
- Growing prominence of the Modivo business line in the Modivo Group (contribution to revenue up by 7pp yoy, to 29%), supported by the rollout of marketplace and marketing services for partners.
- Gross margin down 3.2pp yoy, with the decline reflecting: 1) weaker consumer purchasing power, 2) overstocking in the multibrand e-commerce segment, leading to 3) aggressive pricing and discount policies pursued by competitors.
- Selling and administrative costs up yoy due to revenue growth (variable costs) and market increase in unit costs of services and materials (including forwarding, packaging and performance marketing). Fixed cost base reduced in the areas of brand image marketing (ATL), energy consumption and employment (recruitment put on hold).
- Profitability in the multibrand e-commerce segment eroded by macro headwinds, fiercer competition and continued inventory balancing.

CCC GROUP'S FINANCIAL RESULTS

CCC Group [PLNm]	Q4 2021 (November 2021–January 2022)	Q4 2022 (November 2022–January 2023)	Δ Q4 2022– Q4 2021	YOY
Revenue	2,033	2,428	396	19%
Gross profit	944	1,039	95	10%
<i>gross margin [%]</i>	46.5%	42.8%		-3.7pp
Selling and administrative costs	-1,041	-1,134	-94	9%
<i>cost ratio [%]</i>	51.2%	46.7%		-4.5pp
Other income/expenses and impairment losses	50	38	-12	-23%
EBIT	-46	-57	-11	
<i>EBIT margin [%]</i>	-2.3%	-2.3%		-0.1pp
EBITDA	97	86	-11	-12%
<i>EBITDA margin [%]</i>	4.8%	3.5%		-1.2pp
Adjusted* EBITDA	47	47	0	1%
<i>adjusted EBITDA margin [%]</i>	2.3%	2.0%		-0.4pp

* EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items)

- Strong revenue growth recorded by the Group (+19% yoy) from last year's challenging base (+45%) Revenue growing faster qoq (up 2pp).
- Continued strong contribution of e-commerce to the Group's overall revenue (at 56%,).
- Costs rising over twice slower than revenue. Group's costs broadly flat qoq amid an inflationary business environment. Positive contribution of the implemented cost reduction programme.
- Adjusted EBITDA broadly unchanged yoy, despite macro headwinds.

GROWTH OF THE CCC GROUP'S OFFLINE SALES CHANNELS

	January 31st 2022	January 31st 2023	Δ January 31st 2023–January 31st 2022	YOY
Area [m ²], including:	633,841	710,351	76,509	12%
CCC	528,399	530,281	1,882	0%
eobuwie	20,715	27,968	7,253	35%
HalfPrice	78,553	152,102	73,549	94%
Number of stores, including:	896	948	52	6%
CCC	807	819	12	1%
eobuwie	28	38	10	36%
HalfPrice	50	91	41	82%

- CCC's retail space stable yoy with store chain saturation maintained at a level matched to the market size and continued efforts to rightsize the average store space.
- Implementing the plan to expand eobuwie hybrid stores and eobuwie zones in CCC stores – expanding access to Reserve & Collect service and efficient returns management.
- Continued HalfPrice expansion with 7 new stores opened in Q4 2022 and further to be added in 2023.

SELECTED ITEMS OF THE STATEMENT OF FINANCIAL POSITION

Modivo Group [PLNm]	October 31st 2022	January 31st 2023	Δ January 31st 2023– October 31st 2022	YOY
Gross debt*	765	854	89	12%
(-) cash	150	152	2	1%
Net debt, including:	615	702	87	14%
Bonds convertible into Softbank shares	593	624	31	5%
Reverse factoring	250	159	-91	-36%

* excluding reverse factoring (reverse factoring included in the definition of a bank covenant applicable to Modivo S.A.)

- Predominant share in Modivo Group's debt of Modivo S.A. convertible bonds issued for Softbank. Qoq change in Modivo Group's debt due mainly to bond interest capitalisation.
- Modivo Group's net financial debt excluding the convertible bonds at PLN 78m.

CCC Group excluding MODIVO Group [PLNm]	October 31st 2022	January 31st 2023	Δ January 31st 2023– October 31st 2022	YOY
Gross debt	1,796	1,647	-149	-8%
(-) cash	325	237	-88	-27%
Net debt	1,471	1,410	-61	-4%
(-) Bonds issued to PFR*	373	377	3	1%
(+/-) other adjustments **	1	4	4	700%
Net financial debt	1,098	1,038	-60	-6%
(+) reverse factoring	259	92	-167	-64%
(+) bank guarantees	110	120	10	9%
Net exposure	1,467	1,249	-218	-15%

* Debt under bonds issued to PFR is not included in covenants; in the financial statements, its amount is included in liabilities under borrowings and bonds and in other financial liabilities.

** For the purpose of calculating the *net exposure* covenant – adjustments for measurement of derivatives and SCN

- Qoq decrease in CCC Group's debt (excluding Modivo Group) reflecting mainly continued working capital optimisation in the CCC segment.
- Continued pursuit of the Group's capital conservation and balance sheet strengthening plan unveiled in November 2022, through potential issue of CCC shares, sale and leaseback of assets, new financing raised for HalfPrice, IPO of Modivo S.A. or other measures.

Inventories * [PLNm]	January 31st 2022	January 31st 2023	Δ January 31st 2023–January 31st 2022	YOY
CCC	1,494	1,013	-481	-32%
HalfPrice	143	342	199	139%
MODIVO Group	964	1,295	331	34%

* Includes goods in transit, purchased on FOB basis (goods in sea transit).

- 32% yoy decrease in CCC segment’s inventory, with sales growing by 21%. Inventory cycle at about 240 days, down 80 days yoy. CCC’s inventory at its lowest level since 2016.
- Rapid improvement in CCC’s inventory levels reflecting 1) high collection resale levels (priority given to working capital optimisation), 2) optimisation of new collection orders, and 3) synchronisation of the stocking process with the retail calendar.
- HalfPrice’s inventory levels (up +139%) growing slower than sales (up +148%). Expanded product range and improved inventory at HalfPrice as key drivers of LFL sales growth (up +30%) and operating profitability (up 0.3pp qoq).
- Modivo Group’s inventory (up +34%) increased chiefly due to fast growth of the Modivo business line, challenging competitive and business environment (reduced consumer purchasing power), and lower sales growth relative to previous quarters. Turnover and inventory rightsizing process launched by the Modivo Group expected to deliver results in H2 2023.