

## CCC GROUP'S REVENUE

- Group's revenue up 17% year on year, with a challenging comparative base (reopening of offline retail stores in Poland and other CEE countries after lockdowns in the first half of 2021).
- Strong growth in the Group's online sales (+26%), with the share of e-commerce in the Group's revenue having expanded to almost 50% (by 4pp year on year).
- Sales of CCC's omnichannel segment up 5% year on year, with a 5% reduction in retail space.
  - Sharp rise in omnichannel sales per square metre, to PLN 720 (+12% year on year).
  - Triple-digit revenue growth posted by ccc.eu (+140% year on year) and a strong 20% contribution to the CCC segment's sales (+11pp year on year).
- Sales in the Modivo Group up 23% year on year, bolstered by continued strong revenue growth in the Modivo segment (+91% year on year).
- HalfPrice sales at approx. PLN 180m, an increase of 50% quarter on quarter, with retail space increased by 20% quarter on quarter. HalfPrice e-commerce sales up by 60% quarter on quarter.

	Q2 2021 (May–July 2021)	Q2 2022 (May–July 2022)	Δ Q2 2022– Q2 2021	YOY
<b>CCC Group's revenue [PLNm]</b>				
<b>CCC Group</b>	<b>2033</b>	<b>2378</b>	<b>345</b>	<b>17%</b>
CCC	1101	1156	55	5%
Eobuwie	710	807	96	14%
Modivo	95	181	86	91%
HalfPrice	39	178	139	354%
DeeZee	30	28	-2	-8%
Other and unallocated <sup>1</sup>	58	29	-29	-50%
E-commerce contribution to the CCC Group's revenue				
	45.8%	49.5%		3.7 p.p.

<sup>1</sup>“Unallocated” refers to the share of the Group's wholesale to KVAG, allocated to continuing operations. In accordance with IFRS 5, intra-group transactions were eliminated in discontinued operations, therefore the margin generated by KVAG on merchandise purchased from the CCC Group is presented in revenue from discontinued operations, but cost of sales of discontinued operations pertains solely to purchases from entities outside the CCC Group. As a result, a disproportion may be seen in the cost of purchases relative to revenue (overstated gross margin expressed as a percentage). This approach has a negative effect on the reported margin on continuing operations. Furthermore, depreciation and amortisation are not charged from the date of reclassification.

## CCC GROUP'S FINANCIAL RESULTS

- Consistent improvement in the Group's gross margin (+0.3pp year on year) – the sixth consecutive quarter with a year-on-year margin growth. Growth in the Group's margin driven by a sharp improvement in the CCC segment's margin (+2.4pp year on year).
- Year on year, the Group's costs grew at a rate similar to revenue. Costs higher year on year mainly due to a rapid growth of online sales (variable costs). Level of costs also reflecting investment in strategic growth projects, mainly expansion of the HalfPrice chain. Cost-to-revenue ratio at 44% (8pp lower quarter on quarter and in line with the full-year target).
- Group's EBIT and EBITDA at a stable level year on year.

	Q2 2021 (May–July 2021)	Q2 2022 (May–July 2022)	Δ Q2 2022– Q2 2021	YOY
<b>CCC Group's statement of profit or loss [PLNm]*</b>				
Revenue	2033	2378	345	17%
Gross profit	959	1130	171	18%
Gross margin [%]	47.2%	47.5%		0.3 p.p.
SG&A expenses	881	1051	170	19%
EBIT	78	79	1	1%
EBIT margin [%]	3.8%	3.3%		-0.5 p.p.
EBITDA (IFRS 16)	226	224	-2	-1%
EBITDA margin [%]	11.1%	9.4%		-1.7 p.p.

\* The presented financial data are estimates, and they do not include extraordinary, non-recurring items.

## SELECTED ITEMS OF THE STATEMENT OF FINANCIAL POSITION OF THE CCC GROUP

Quarter-to-quarter change in the Group's debt was mainly due to:

- Timely principal payments in the amount of PLN 20,5m;
- Change in the use of overdraft credits related to current operations;
- Increased utilization of guarantee limits through a decrease in prepayments, which resulted in the increase in cash in Modivo S.A.

	April 30th 2022	July 31st 2022	Δ July 31st 2022-April 30th 2022	QOQ
<b>Selected items of the statement of financial position [PLNm]</b>				
Net debt*	1947	1798	-149	-8%
Cash	494	702	208	42%

\* Including PLN 360m of 7-year bonds related to the purchase of 10% of Modivo S.A. shares, and PLN 500m of bonds convertible into Modivo S.A. shares for Softbank.

## GROWTH OF THE CCC GROUP'S OFFLINE SALES CHANNELS

- Decrease in CCC store area by 27k square metres year on year, mainly due to planned network optimisation (including transformation into the HalfPrice concept and consistent reduction of the average store area).
- Continued HalfPrice expansion – 10 new stores in Q2 2022. Planned chain expansion to about 100 stores by the end of 2022.

	July 31st 2021	July 31st 2022	Δ July 31st 2022- July 31st 2021	YOY
<b>Sales network rollout</b>				
Area [m <sup>2</sup> ], including:	610 680	685 165	74 484	12%
CCC	560 503	533 520	-26 983	-5%
eobuwie	19 413	22 926	3 512	18%
HalfPrice	30 028	127 983	97 955	326%
Number of stores, including:	903	929	26	3%
CCC	855	819	-36	-4%
eobuwie	27	33	6	22%
HalfPrice	20	76	56	280%

## RESULTS OF THE MODIVO GROUP (formerly eobuwie Group)

- Modivo Group's sales up 23% year on year amid a challenging competitive environment.
- Accelerating sales growth in the eobuwie segment, up 2pp quarter on quarter (+14% year on year).
- Modivo continues to be the fastest-growing segment of the CCC Group – 91% year-on-year sales growth and accelerating quarter-on-quarter revenue growth (+23pp). Sales growth reported for the strategic markets of the Czech Republic and Italy at about 200%. Segment's share of the Modivo Group's total sales rose to 18% (+6pp year on year).
- Modivo Group's gross margin down 2.7pp year on year (40,4%), reflecting mainly investments in market share and sales growth (to maintain price competitiveness in a demanding market).
- Modivo Group's costs rose (+27% year on year) mainly as a result of a fast sales growth (variable costs) and the implementation of strategic growth plans (including the launch of a marketplace platform, international expansion, start-up of a warehouse in Romania, IT system and software development).
- Modivo Group's EBITDA margin at 4%, locally impacted by a challenging competitive environment (pressure on gross margin and marketing costs).

	Q2 2021 (May–July 2021)	Q2 2022 (May–July 2022)	Δ Q2 2022– Q2 2021	YOY
<b>Modivo Group's statement of profit or loss [PLNm]</b>				
Revenue*	817	1001	184	23%
Poland	314	373	58	19%
Central and Eastern Europe	331	411	80	24%
Western Europe	171	217	45	27%
Gross profit	352	405	52	15%
Gross margin [%]	43.1%	40.4%		-2.7 p.p.
SG&A expenses	302	383	80	27%
EBIT	50	22	-28	-56%
EBIT margin [%]	6.2%	2.2%		-4.0 p.p.
EBITDA (IFRS 16)	66	40	-26	-39%
EBITDA margin [%]	8.0%	4.0%		-4.0 p.p.

\* Revenue includes transactions with the CCC Group (current period: PLN 13.3m, comparative period: PLN 11.8m).