CONSOLIDATED DIRECTORS' REPORT ON THE OPERATIONS OF THE CCC GROUP

in the financial year from 1 February 2023 to 31 January 2024

Dear Shareholders,

It is with great honour that I, having resumed the position of President of the CCC S.A. Management Board after a five-year break, present to you the Directors' Report on the operations of the CCC Group in 2023. This report summarises the key tasks we undertook during the period.

It was a pivotal time for our Company, throughout which we demonstrated the ability to develop our business in a challenging environment, improve profitability, and generate shareholder value.

The outset of 2023 found us amidst an adverse macroeconomic landscape for the consumer industry, following the outbreak of conflict in Ukraine. High inflation paired with increased interest rates diminished consumer disposable income, constraining demand for the Company's offerings. Moreover, the e-commerce sector, accounting for nearly half of the Group's revenue, faced persistent challenges throughout 2023. An industry-wide issue of overstocking, dating back to 2022, continued to drive competition, exerting downward pressure on prices and margins whilst elevating online traffic acquisition costs.

Faced with this demanding context, we steadfastly pursued a strategy to strengthen the Group's liquidity and balance sheet from the year's start, building upon initiatives launched in the autumn of 2022. At the heart of this strategy was a comprehensive cost-saving programme implemented across all business lines. Consequently, we realised more than PLN 360 million in cost reductions (-16%) within the CCC business line alone, marking the culmination of consistently lower year-on-year costs reported over six consecutive quarters. Strategic changes at the senior management level have expedited our transformation, streamlined our organisational structures, and optimised our decision-making processes.

A crucial milestone last year was May's share issuance, injecting over PLN 500 million into the Company. We wish to extend our particular gratitude to those of you who subscribed for shares in this offering. This significantly fast-tracked the improvement of the Company's financial position, aimed at curtailing finance costs and achieving favourable debt refinancing conditions. Alongside profitability enhancements in the CCC and HalfPrice business lines and ongoing working capital management improvements, proceeds from the offering facilitated the consistent deleveraging of the CCC Business Unit over the past five quarters, allowing the lowering of its gross debt by 40%.

At the same, entering into strategic partnerships for the distribution of globally recognised brands under trademark licensing arrangements was pivotal for the CCC Group's business model evolution. The first licence agreement was signed with Reebok and was quickly followed by contracts with Kappa, Beverly Hills Polo Club, and Mexx, among others. These arrangements allow us to retail these brands' products across all business lines, sales channels, and geographies on very favourable terms. They have not only enriched the CCC Group's product portfolio but have also unlocked further potential for gross margin expansion.

2023 saw the CCC and HalfPrice business line achieve improved levels of profitability. In the mature and well-structured CCC segment, years of optimising retail space and working capital management, combined with the shift towards a genuinely omnichannel business model, have borne fruit. Throughout the year, CCC improved its EBITDA margin by more than 9pp, achieving in the last three quarters a high and consistent level of around 20% – befitting an industry leader. However, our ambitions extend even further.

Notably, though only launched less than three years ago, HalfPrice contributed 15% of the Group's total revenue in 2023, showcasing a remarkable sales growth rate of 68% (including an impressive 17% LFL). Over the year, we inaugurated 32 new outlets, with HalfPrice entering two new markets. Now boasting nearly 130 stores across 11 countries, HalfPrice is set to maintain a vigorous growth trajectory within the CCC Group. Its offerings complement our unique, globally scalable business model that merges full-price and off-price sales channels, allowing for the most effective inventory management and maximisation of gross margins across the Group.

2023 was also a significant year for the Modivo Group, which faced a particularly competitive environment. Its focus was on completing both inventory optimisation and a deep technological transformation, tasks that were successfully executed, potentially unlocking a revival in the Modivo Group's performance in future reporting periods.

The execution of our rigorous savings programme, alongside establishing high and consistent profitability and determined deleveraging of the CCC Business Unit, has accelerated our efforts to secure the refinancing of its debt. A key component of this, as announced in March 2024, is the green financing provided by the European Bank for Reconstruction and Development. The availability of this financing, offered on attractive terms, is a testament to our long-term commitment to sustainability.

As we step into 2024, we do so with a profound sense of optimism. Our organisation is streamlined, agile, and orderly, with a focus on cost discipline and profitable market ventures. We are powered by four strong, mutually complementary, and consumer-appealing retail business lines, each offering an increasingly refined product portfolio conducive to high-margin generation. Buoyed by the uptick in real wages and fiscal stimulation, there is a noticeable enhancement in consumer sentiment, as evidenced by improving retail sales metrics.

I am confident that we are embarking on a year in which our Group will emerge stronger, leveraging all available resources to consolidate our leading market position.

I would like to express my deepest appreciation for your continued support and commitment.

Yours faithfully,

Dariusz Miłek

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SELECTED FINANCIAL AND OPERATING DATA OF THE CCC GROUP

	PLNm		EURm	
Selected financial data from the consolidated statement of comprehensive income	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023
	audited	audited	audited	audited
Revenue	**9,440.3**	**9,123.2**	**2,098.8**	**1,942.1**
CCC	4,000.1	4,175.2	889.3	888.8
HalfPrice	1,418.0	843.1	315.3	179.5
eobuwie	2,840.9	3,081.3	631.6	655.9
Modivo	1,091.0	895.0	242.6	190.5
DeeZee	90.3	115.8	20.1	24.7
Not allocated to segments/discontinued operations	0.0	12.8	0.0	2.7
Gross profit (loss)	**4,394.1**	**4,265.4**	**976.9**	**908.0**
Gross margin	46.5%	46.8%	46.5%	46.8%
Operating profit (loss)				
CCC	315.6	-85.5	70.2	-18.2
HalfPrice	32.6	0.9	7.2	0.2
eobuwie	-125.5	18.5	-27.9	3.9
Modivo	-44.8	9.5	-10.0	2.0
DeeZee	6.0	5.3	1.3	1.1
Operating profit (loss)	**183.9**	**-51.3**	**40.9**	**-10.9**
Profit (loss) before tax	-138.2	-398.9	-30.7	-84.9
NET PROFIT (LOSS) FROM CONTINUING OPERATIONS	**-124.7**	**-401.5**	**-27.7**	**-85.5**
NET PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	**0.0**	**-42.4**	**0.0**	**-9.0**
Net profit (loss)	**-124.7**	**-443.9**	**-27.7**	**-94.5**

	PLNm		EURm	
Selected financial data from the consolidated statement of financial position	31 Jan 2024	31 Jan 2023	31 Jan 2024	31 Jan 2023
	audited	audited	audited	audited
Non-current assets	**3,740.5**	**3,601.3**	**861.2**	**764.8**
Current assets, including:	**3,580.9**	**3,462.8**	**824.4**	**735.4**
Inventories	2,911.6	2,691.1	670.4	571.5
Cash	266.5	395.4	61.4	84.0
Assets classified as held for sale	**24.6**	**0.0**	**5.7**	**0.0**
Total assets	**7,346.0**	**7,064.1**	**1,691.3**	**1,500.2**
Non-current liabilities, including:	**1,959.3**	**2,741.4**	**451.1**	**582.2**
Bank borrowings and bonds	676.6	1,370.5	155.8	291.0
Lease liabilities	1,213.2	1,266.8	279.3	269.0
Current liabilities, including:	**4,433.2**	**3,740.0**	**1,020.7**	**794.2**
Bank borrowings and bonds	1,418.8	1,155.7	326.7	245.4
Trade and other payables	1,820.2	1,389.5	419.1	295.1
Total liabilities	**6,392.5**	**6,481.4**	**1,471.8**	**1,376.4**
Equity	**953.5**	**582.7**	**219.5**	**123.7**

	PLNm		EURm	
Selected financial data from the consolidated statement of cash flows	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023
	audited	audited	audited	audited
Net cash flows from operating activities	820.9	540.7	182.5	115.1
Net cash flows from investing activities	-315.6	-448.9	-70.2	-95.6
Net cash flows from financing activities	-634.2	-637.5	-141.0	-135.7
Total cash flows	**-128.9**	**-545.7**	**-28.7**	**-116.2**
Capital expenditure	-325.1	-455.1	-72.3	-96.9

Operational highlights	31 Jan 2024	31 Jan 2023
	audited	audited
Number of stores	979	979
Retail space (thousand m^2)	787.4	732.1
Number of markets with digital sales	19	19

Selected data from the consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows were translated into the euro using the method specified below:

1) Items of assets, equity and liabilities in the consolidated statement of financial position were translated at the exchange rate effective on the last day of the reporting period:

   - the exchange rate as at 31 January 2024 was EUR 1 = PLN 4.3434
   - the exchange rate as at 31 January 2023 was EUR 1 = PLN 4.7089

2) particular items of the consolidated statement of comprehensive income and the consolidated statement of cash flows were translated at exchange rates representing the arithmetic mean of the exchange rates quoted by the National Bank of Poland for the euro in effect on the last day of each month in a given reporting period:

   - in the period 1 February 2023–31 January 2024, the average exchange rate was EUR 1 = PLN 4.4979
   - in the period 1 February 2022–31 January 2023, the average exchange rate was EUR 1 = PLN 4.6975

The amounts were translated at the exchange rates specified above by dividing amounts expressed in millions of the zloty by the exchange rate.

ABOUT THIS REPORT

This consolidated Directors' Report on the operations of the CCC Group in 2023 contains financial and non-financial information, showing the results and position of the CCC Group on the Polish and European markets. This Report also contains disclosures on the activities of the parent required to be disclosed in the Directors' Report. The Report is published in the PDF format, available in Polish and English. It contains logos and photographs of registered proprietary brands available in CCC, eobuwie and HalfPrice stores.

This Report covers one, 12 month-long financial year from 1 February 2023 to 31 January 2024 and includes comparative data for the period from 1 February 2022 to 31 January 2023. To keep the information as current as possible, this report includes a summary of events after the reporting date up to the date of its issue.

Consolidated Directors' Report on the operations of the CCC Group for the 12 months from 1 February 2023 to 31 January 2024 (all amounts in PLN million unless stated otherwise)

CCC IN NUMBERS

The data relate to changes in the period from 1 February 2023 to 31 January 2024 relative to the corresponding period of the previous year. Data calculated based on a table representing revenue from continuing operations by operating segments.

		1 Feb 2023–31 Jan 2024	y/y change
CCC GROUP	**Revenue**	**9,440.3**	***3%***
	E-commerce contribution to sales	46%	*-6pp*
	Number of markets	23	*-5*
	Number of stores	979	-
CCC	**Revenue**	**4,000.1**	***-4%***
	Contribution to the CCC Group's revenue	42%	*-4pp*
	E-commerce contribution to sales	15%	*-7pp*
	Number of stores	796	*-23*
HalfPrice	**Revenue**	**1,418.0**	***68%***
	Contribution to the CCC Group's revenue	15%	*+6pp*
	E-commerce contribution to sales	3%	*-1pp*
	Number of stores	123	*32*
eobuwie	**Revenue**	**2,840.9**	***-8%***
	Contribution to the CCC Group's revenue	30%	*-4pp*
	E-commerce contribution to sales	90%	*+1pp*
	Number of stores	52	*14*
Modivo	**Revenue**	**1,091.0**	***22%***
	Contribution to the CCC Group's revenue	12%	*+2pp*
	E-commerce contribution to sales	95%	*-5pp*
	GMV	1,353.9	*+22%*

1. BUSINESS OF THE CCC GROUP

The CCC Group (the "CCC Group", the "Group") is a leader of the omnichannel footwear market in Poland and Central Europe. The Group's operations are currently segmented into the following business lines:

CCC **HalfPrice** **eobuwie** **Modivo** **DeeZee**

The CCC Group encompasses an extensive portfolio of 979 offline stores, featuring the CCC, HalfPrice, eobuwie, and Modivo brands, strategically positioned within premier shopping centres and malls. The Group also maintains a robust online presence through numerous e-commerce platforms, catering to the Polish market as well as 22 additional territories across Europe and the Middle East.

CCC stores are recognised for their engaging, modern proprietary brands, with several, such as Lasocki, Gino Rossi, Jenny Fairy, Sprandi, and DeeZee, gaining iconic recognition. The stores also offer an extensive selection of licensed sports footwear and children's shoe brands. The CCC Group's portfolio is complemented by third-party brands offered through eobuwie, Modivo, and HalfPrice. The CCC Group offers an extensive and continuously expanding product range, curated to meet the needs of specific consumer segments targeted by its various brands.

BUSINESS PROFILE

The CCC Group is a leader of the CEE footwear market, actively expanding its product portfolio to include new categories – mainly clothes offered by the Modivo and HalfPrice business lines.

The Group focuses on Customers, offering them high quality, fashionable products. In line with its mission, the CCC Group's main objective is 'To unlock fashion for everybody, everywhere'.

The Group's business model is based on an omnichannel platform of complementary business lines: CCC, HalfPrice, eobuwie and Modivo. The omnichannel model is based on the overlapping of online and offline sales channels and free migration of Customers between those channels. Expansion of the omnichannel platform is also supported by a number of facilities for Customers, including express delivery, deferred payments, etc.

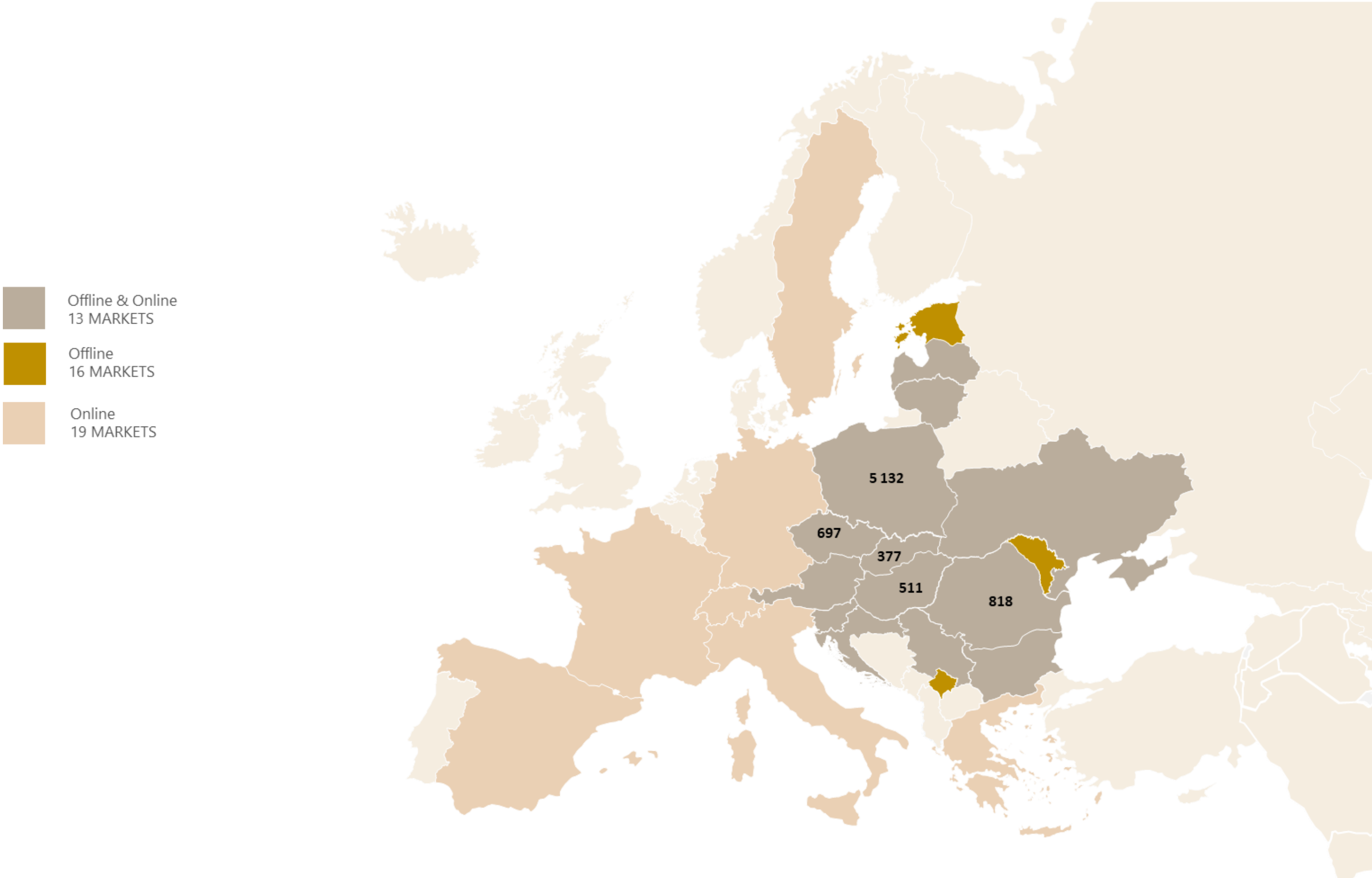
Products at offline stores are mainly sold under the CCC business line, which offers chiefly well-known proprietary brands (e.g. Lasocki, Jenny Fairy, Gino Rossi) and under the off-price concept called HalfPrice (launched in 2021). In 2023, the Group's revenue generated through the offline channel accounted for 53% of the total.

The Group is ramping up sales in the fast-growing e-commerce channel. The Group's revenue from this channel, accounting for 46% of the total, is generated through the CCC and HalfPrice online stores, as well as through the pure online platforms, i.e., the eobuwie and Modivo platforms, whose offering includes mainly third-party brands.

The main driver of the Group's revenue growth in the coming years will be strong expansion of the off-price segment.

The Group intends to grow its business in a responsible and sustainable manner by engaging in projects that promote a low-carbon circular economy, diversity and transparency.

CCC GROUP'S GEOGRAPHICAL REACH, WITH THE FIVE MARKETS WITH THE HIGHEST REVENUE FROM 1 FEBRUARY 2023 TO 31 JANUARY 2024 HIGHLIGHTED [REVENUE FIGURES IN PLNm MARKED ON THE MAP]



1.3 KEY EVENTS FROM 1 FEBRUARY 2023 TO 31 JANUARY 2024

Q1

- Issue of 14 million Series M and Series L shares at a price of PLN 36.11 per share

Q2

- Signing of a cooperation agreement with ABG concerning the Reebok brand.
- Reduction of the CCC Business Unit's financial debt to its lowest level since 2018

Q3

- Reorganisation of the CCC Group to consolidate the logistics operations of the CCC and HalfPrice business lines within CCC.eu Sp. z o.o.

Q4

- CCC Group rated AA in MSCI ESG rating

Find out more about developments important to the Group on the websites:

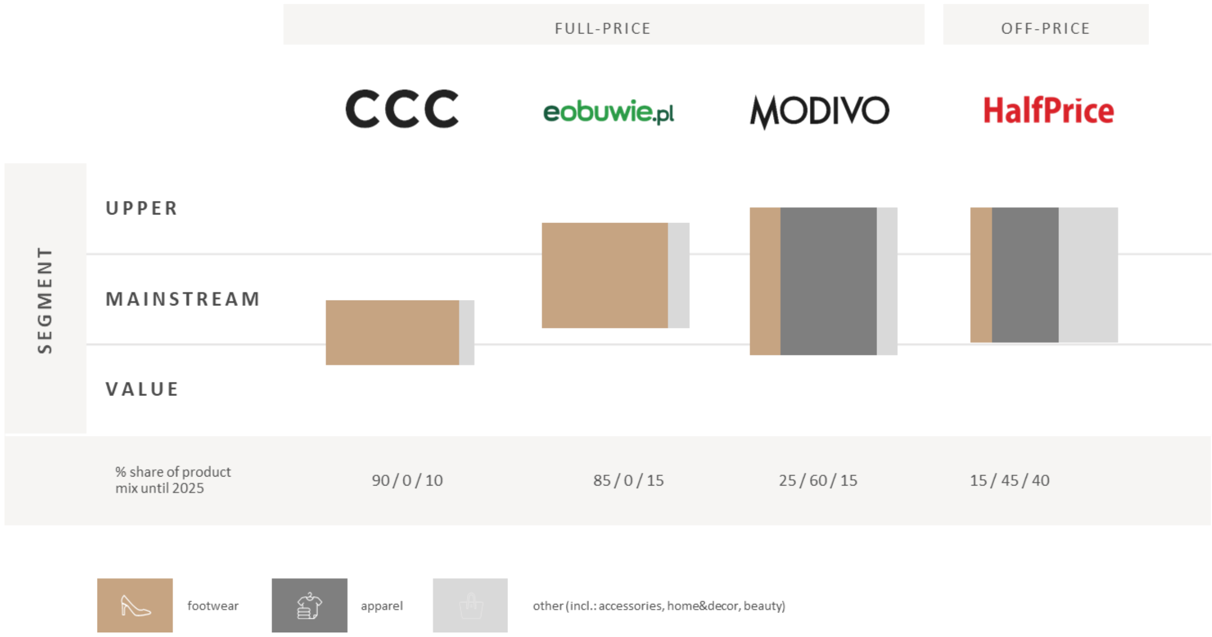
https://corporate.ccc.eu/news/aktualnosci,1

https://corporate.ccc.eu/raporty#pills-relacjeinwestorskie-raporty-zakladki-raporty-biezace-1-tab

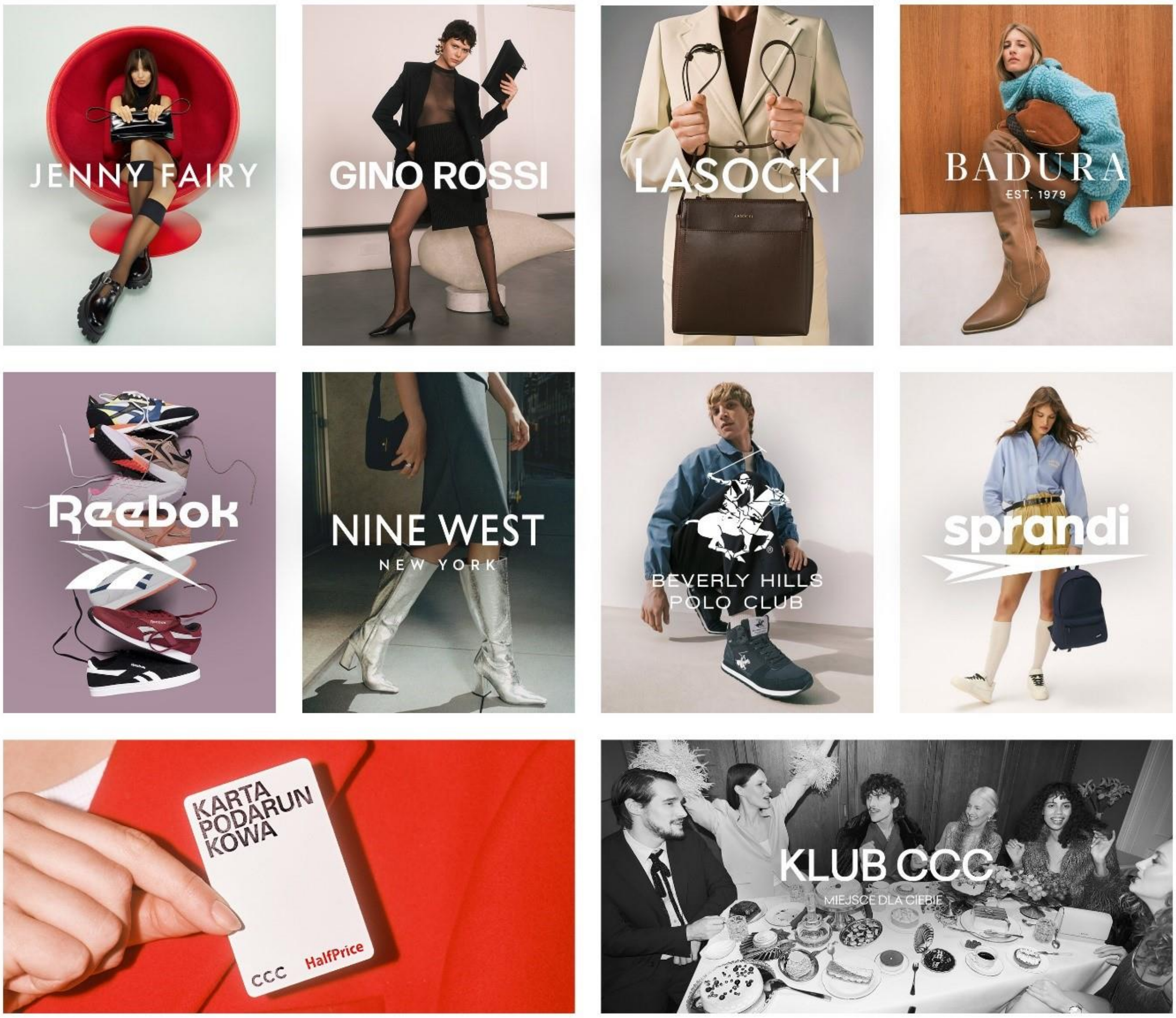
2. CCC GROUP'S PORTFOLIO

The CCC Group's product offerings cater to the needs of a broad customer base. The CCC business line is primarily focused on delivering high-quality, value-for-money products and mainstream proprietary brands. Meanwhile, eobuwie and Modivo serve their customers with clothing, footwear, and accessories from well-known premium, casual, sport, and street style brands. The portfolio is complemented by HalfPrice, which operates under an off-price model, providing clothing and footwear from renowned brands, along with other products, at attractive prices.

OUR BUSINESS LINES ADDRESS THE NEEDS OF VARIOUS CUSTOMER SEGMENTS



The product portfolio of the CCC chain features a mix of well-established proprietary brands (including Lasocki, Jenny Fairy, Sprandi), widely recognised third-party brands (such as Adidas, Puma, New Balance, with offerings for younger customers that feature footwear decorated with Disney characters), and products sold under a trademark-based model (including Reebok, Kappa, Nine West). The portfolio has been designed to address the demands of various Customer segments, depending on fashion preferences, age, and disposable income. The CCC business line fulfils consumer shopping needs through a comprehensive offering of third-party sportswear, proprietary brands, synthetic and leather products, children's footwear, and men's footwear and accessories.



The CCC Group's range is complemented with eobuwie and Modivo products. Revenue generated by the two channels is mostly derived from sales of third-party brands, i.e., brands supplied by footwear and clothing manufacturers that are well recognised by consumers. The Modivo Group has partnered with over a thousand brands globally. Moreover, its portfolio is broadened by brands that it collaborates with under a 3P (marketplace) model. This approach allows the Group to expand its offering to include new product categories, such as health and beauty or homewares.

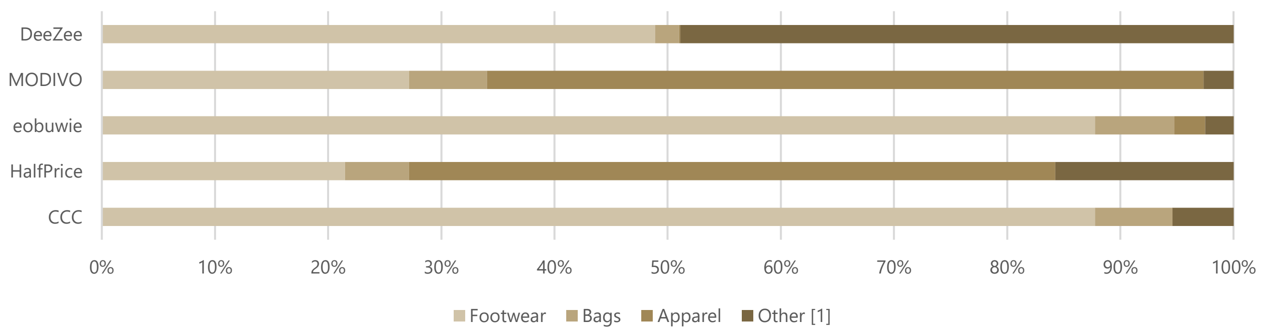
SELECTED BRANDS AVAILABLE FROM THE MODIVO GROUP

The CCC Group's portfolio is complemented by HalfPrice, a modern store concept in the off-price segment, offering a wide variety of popular brands at attractive prices. Products sold at HalfPrice offline outlets are tailored to the needs of customers choosing quality and looking for branded products sold at reduced prices. Several times a week, new products are added to the existing range, allowing consumers to find real bargains. The product portfolio comprises clothing, footwear, accessories, cosmetics, toys, as well as home furnishings and decor.

In May 2023, the CCC Group signed a cooperation agreement regarding the Reebok brand with one of the world's largest licensors, Authentic Brands Group. This partnership has enabled the CCC Group to offer an extensive range of range of Reebok products through its sales channels (CCC, HalfPrice, eobuwie and Modivo) on 23 markets. Additionally, the Group now holds the rights to operate monobrand stores, shop-in-shop kiosks, and outlets for the Reebok brand. As a result, the CCC Group became part of a limited circle of organisations that have an agreement for the use of Reebok brand trademarks in Europe. Apart from this collaboration, the Group has entered into licensing agreements with other notable brands, such as Kappa, Nine West, and DKNY. These developments are a natural growth trajectory for the CCC Group, positively affecting its gross margin.

In 2023, the sales mix of the CCC Group as a whole and of its individual business lines remained largely unchanged from the previous year. However, in line with the Group's strategic focus on expanding the omnichannel platform and the HalfPrice business line, the 'Footwear' category's contribution to revenue decreased in favour of the 'Clothing' and 'Other' categories.

Sales mix in 2023



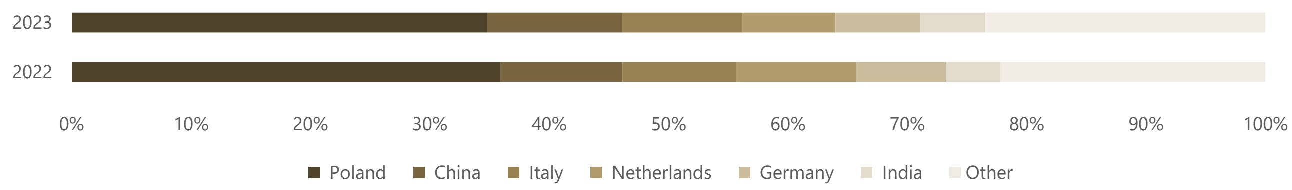
[1] 'Other' includes primarily (by value): shoe care products, insoles, belts, wallets, socks, jewellery and accessories, homewares and beauty products.

3. BUSINESS MODEL

3.1 SUPPLIERS

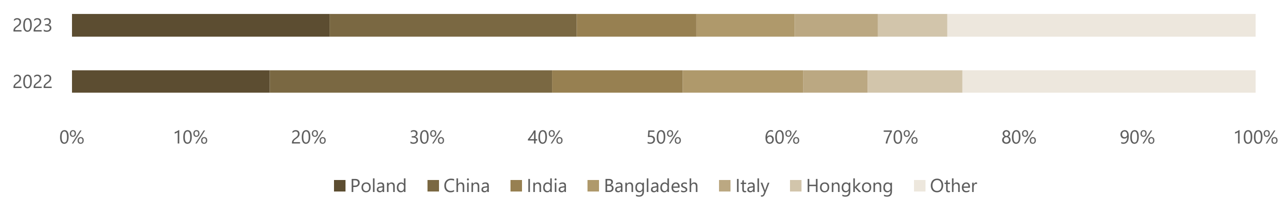
The CCC Group boasts a diversified supplier base. The CCC business line procures supplies primarily from Asia (China, India, Bangladesh), while the Modivo Group's suppliers are mostly based in Europe. A significant portion of supplies also comes from Poland.

BREAKDOWN OF CCC GROUP'S SUPPLIER BASE BY GEOGRAPHY



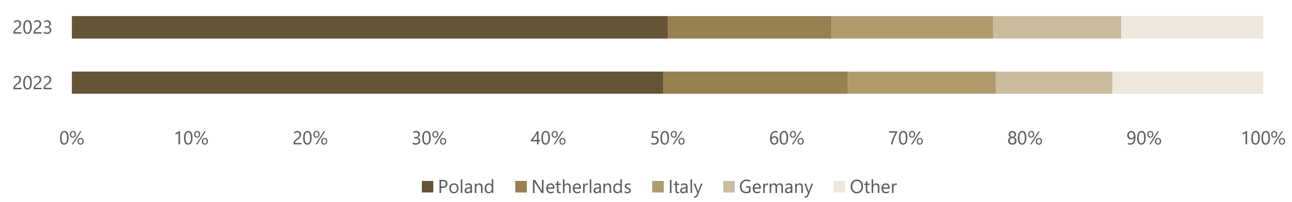
CCC.eu Sp. z o.o. is the supplier of goods for the CCC, HalfPrice and DeeZee chains. The company sources goods from domestic and foreign suppliers, with a significant fraction of this merchandise coming from Asia, in particular China (21%), India (10%), Bangladesh (8%), and Hong Kong (6%).

BREAKDOWN OF CCC'S SUPPLIER BASE BY GEOGRAPHY



The Modivo Group procures merchandise for the eobuwie and Modivo online platforms and offline stores of the same names through its parent Modivo S.A. In 2023, purchases made by Modivo accounted for nearly 50% of the CCC Group's total procurement of merchandise. Supplies to the Modivo Group are almost exclusively European.

BREAKDOWN OF MODIVO GROUP'S SUPPLIER BASE BY GEOGRAPHY



In the 'Other' category, purchases in any single country did not exceed 5% of the CCC Group's total purchases.

For a detailed description of the supply chain, see the Non-Financial Report of the CCC Group for the 2023 financial year, which is available from https://corporate.ccc.eu/raporty-csr.

3.2 LOGISTICS

The CCC Group currently operates three logistics centres: the centre in Polkowice (serving mainly offline stores), in Zielona Góra and a new facility in Bucharest, Romania (serving e-commerce).

LOGISTICS CENTRE IN THE LEGNICA SPECIAL ECONOMIC ZONE (LSEZ) IN POLKOWICE

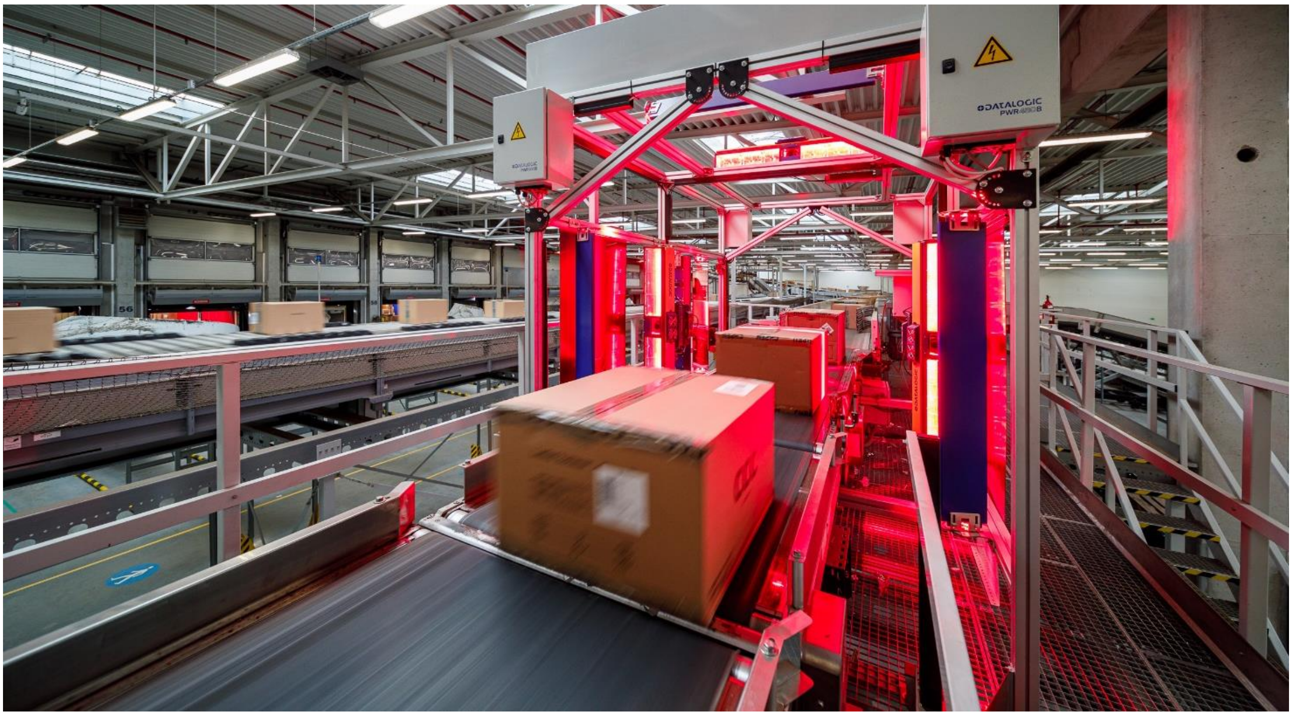
Offline: storage space of 158 thousand m^2, which can accommodate 39 million pairs of footwear, shipping capacity of 794 thousand pairs per day

The Group's development, increased demand for its products and ever greater requirements in terms of distribution efficiency led to the construction of a Logistics Centre in the Legnica Special Economic Zone (LSEZ) in Polkowice. The Centre is a modern complex of large-area buildings.

Its centrepiece is a fully automated high-bay mini-load warehouse, with a total area of 23 thousand m^2, which can hold up to 5 million pairs of footwear, i.e., over 500 thousand cardboard boxes of various sizes. It is the largest facility of its kind in Central Europe. Forty per cent of the capital expenditure was financed from EU funds through the Innovative Economy programme. The aforementioned new Distribution Centre, combined with the existing sorting facility, can handle approximately 50,000 cardboard boxes (or approximately 0.6 million pairs of footwear) within a single day.

The ongoing mechanisation and process automation efforts ensure capacity to support future growth and a foundation for further expansion of the logistics processes. Moreover, the existing storage space at the facility, of approximately 110 thousand m^2, can be further optimised.

In the six months ended 31 July 2021, a project was completed to adapt one of the warehouses in Polkowice to the processes employed by the new HalfPrice concept. The 20 thousand m^2 facility's technical infrastructure and equipment were upgraded. New rack systems were installed, increasing the capacity of the goods storage area to approximately 6 million SKUs, and the customised storage processes and goods handling areas will allow the distribution efficiency to be increased to 2 million pcs per month.



E-COMMERCE LOGISTICS CENTRE IN ZIELONA GÓRA

Online: a building with a total storage area of 49 thousand m^2, capable of accommodating 8.4 million products, with a total shipping capacity of 165 thousand products per day

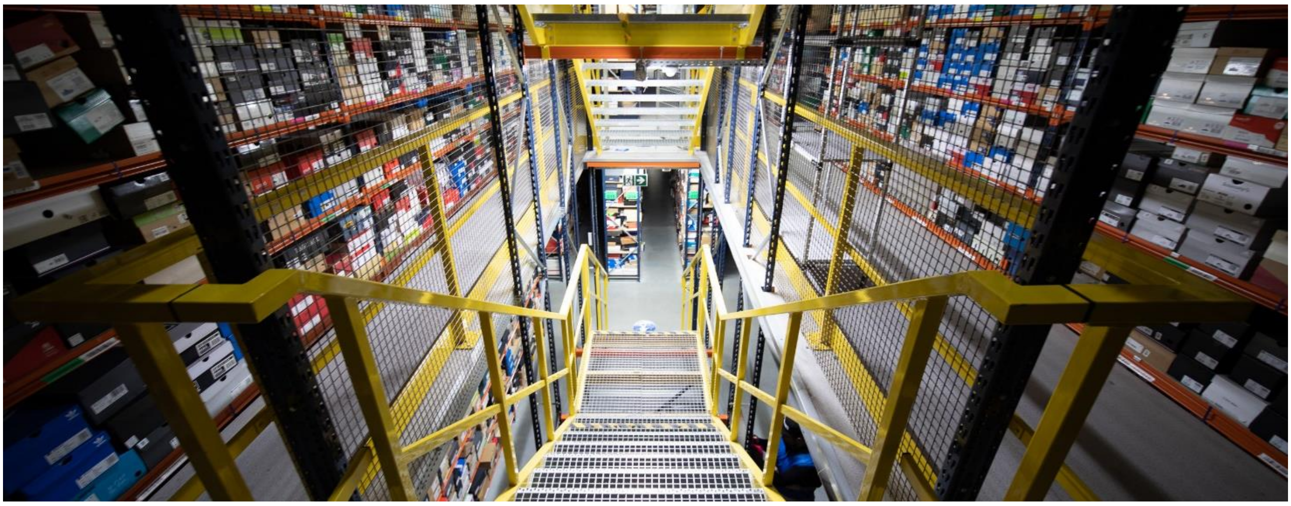
Built back in 2016, Modivo S.A.'s Logistics Centre in the Lubuski Industrial Park in Zielona Góra is the Group's first shipping warehouse dedicated to serving the online sector. At present, it provides logistics support for CCC's products sold through the e-commerce channel. Modivo S.A.'s Logistics Centre represents a project that bolsters the Group's growth across its European markets and enhances the logistical efficiency of CCC Group entities, including digital sales of the CCC Group's offerings. December 2019 saw the completion of the facility with a developed area of just under 30 thousand m^2, in which the receipt of goods and implementation of automated systems commenced in the same year, and was followed by the start of shipment processing in the first quarter of 2020.

In the first half of 2020, work on a 15 thousand m^2 extension of the New Logistics Centre began. The occupancy permit for the new K3 building obtained in January 2021 mad it possible to launch business operations in the new building and fully utilise the new warehouse space before the spring sales peak.

Following the extension of its own warehouse, Modivo S.A. decided to terminate the lease of warehouse space from Panattoni. The lease was terminated in August 2021, which helped optimise logistics costs, enhance operational efficiency and significantly improve the timeliness of supplies.

The Management Board of Modivo S.A. also decided to expand the K3 warehouse building by adding a further 22,400 m^2 of floor area. The expansion project was commissioned in late February 2023, with the work related to the automation of the deliveries zone completed in December 2023. The Automation improved the efficiency of the goods receipt process by more than 63%. These strategic decisions and initiatives are set to increase the capacity of the New Distribution Centre in Zielona Góra, gearing it up for future sales peaks. In parallel, work is underway to further improve the handling of orders and processing of returns. The running projects, including those designed to optimise automation systems, are expected to enable next business day (NBD) deliveries for customers in key markets.

Following the transfer of Modivo's logistics functions to the L1 building in Wola Bykowska and the ongoing project aimed at optimising assets and costs within the Modivo group, a decision was made to relocate logistics operations from the K1 facility to the K2 facility. This move was intended to maximise the operational capacity utilisation of the more technologically advanced K2 building (reducing the per-unit processing cost). To lower the costs of maintaining two logistic centres, the Management Board of the Modivo group decided to sell the K1 facility. After the reporting date, i.e., on 26 March 2024, Eobuwie. Pl Logistics Sp. z o.o. signed a conditional agreement to sell the K1 warehouse (including land property). The final agreement is to be signed by 10 May 2024.



E-COMMERCE LOGISTICS CENTRE IN BUCHAREST

Online: a building with a total storage area of 45 thousand m^2, capable of accommodating up to 2.1 million products, with a shipping capacity of 24 thousand products per day

In December 2020, Modivo S.A. signed a ten-year contract for the lease of a warehouse building in Stefanesti near Bucharest. The building is designated as R1. In the fourth quarter of 2021, the facility was put into service and in January 2022 operating activities commenced. The warehouse currently serves customers in Romania, Bulgaria and Greece. The main reason behind locating the Fulfilment Centre in Bucharest is to reduce the order execution time and, consequently, to further increase sales in the target markets and lessen the workload on the warehouses in Zielona Góra.

Installation of the conveyor automation and sorting systems started in the third quarter of 2022, with the commissioning and optimisation of the new equipment completed in the second quarter of 2023. The automation system began to positively affect the logistics operations shortly after installation.

Given the rapid growth in southern Europe, a decision was made to expand the R1 warehouse by an additional 30 thousand m^2 (2 x 15 thousand m^2). The new sections of the warehouse become operational in the first and fourth quarters of 2023, with the first section commissioned in April 2023.

LOGISTICS CENTRE IN WOLA BYKOWSKA

Online: a building with a total storage area of 42 thousand m^2, 3 million products stored in racking systems, and an estimated shipping capacity of 60 thousand products per day

In late June and early July 2022, a contract was signed under which Poland’s largest logistics operator, InPost, will provide fulfilment services for products sold mainly under the Modivo brand.

In February 2023, the process of shipping orders to customers from the Wola Bykowska warehouse, designated L1, was commenced. A distinctive feature of the warehouse, operated by the logistics partner, is its location directly adjacent to InPost's main sorting facility. This proximity has enabled extending the cutoff time for next business day (NBD) order processing to times currently unattainable by competitors. Another significant advantage of the warehouse is its specialisation in clothing products, which greatly enhances not only its average process efficiency but also that of the Zielona Góra facilities, as the latter can now focus more on handling footwear, thereby increasing the efficiency of their own automation solutions.

3.3 DISTRIBUTION

The CCC Group has a variety of overlapping distribution channels comprising a single well-integrated omnichannel model. It operates around 90 e-commerce platforms and 979 offline stores across 23 countries under the CCC, eobuwie, and Modivo brands. Additionally, it is expanding its presence in the off-price market through the HalfPrice store network.

By distribution channel, the Group's operations are segmented into robust, mutually complementary business lines: CCC, HalfPrice, eobuwie, and Modivo, which collectively enhance the Group's reach by offering a broad spectrum of products, engaging consumers through multiple sales channels, and targeting a wide range of price points.

- **CCC**
- **HalfPrice**
- **eobuwie**
- **Modivo**

AVAILABILITY OF CCC GROUP PRODUCTS AND SERVICES BY GEOGRAPHY

Outside Poland, the Group operates in Central and Eastern Europe, Western Europe, the Baltic States, the Balkans and the Middle East. The Group's showrooms operate in large shopping centres or at attractive high-street locations.

CHAIN	COUNTRY	31 Jan 2024		31 Jan 2023	
		m^2	NUMBER	m ^{22}	NUMBER
CCC	Poland	279,641	442	281,929	444
	Czech Republic	47,311	77	48,507	82
	Romania	46,155	73	48,340	76
	Hungary	45,602	65	53,543	77
	Slovakia	30,584	46	32,628	50
	Croatia	18,125	24	20,624	28
	Bulgaria	13,528	21	12,976	20
	Ukraine	9,788	15	0	0
	Slovenia	9,697	14	11,763	17
	Serbia	7,004	8	11,050	14
	Latvia	4,192	6	4,621	6
	Estonia	2,948	3	2,879	3
	Lithuania	1,481	2	1,420	2
TOTAL		**516,056**	**796**	**530,280**	**819**
HalfPrice	Poland	169,433	95	124,689	75
	Czech Republic	17,741	7	5,000	3
	Romania	9,661	5	1,486	1
	Slovakia	9,346	5	4,787	3
	Austria	6,208	3	5,038	3
	Slovenia	4,752	3	3,515	2
	Hungary	4,135	2	5,633	3
	Croatia	1,955	1	1,955	1
	Ukraine	1,876	1	0	0
	Latvia	1,580	1	0	0
TOTAL		**226,687**	**123**	**152,103**	**91**
Modivo	Modivo	36,528	52	26,689	38
TOTAL OWN STORES		**779,271**	**971**	**709,072**	**948**

CHAIN	COUNTRY	31 Jan 2024		31 Jan 2023	
		m^2	NUMBER	m^2	NUMBER
CCC FRANCHISE	UAE*	3,347	3	5,302	6
	Kosovo	1,958	2	1,958	2
	Oman	1,223	1	1,223	1
	Saudi Arabia	826	1	2,420	3
	Moldova	740	1	740	1
	Qatar	0	0	1,002	1
	Bahrain	0	0	929	1
	Ukraine	0	0	9,415	16
TOTAL FRANCHISE		**8,094**	**8**	**22,989**	**31**
TOTAL CCC GROUP		**787,365**	**979**	**732,061**	**979**

*UNITED ARAB EMIRATES

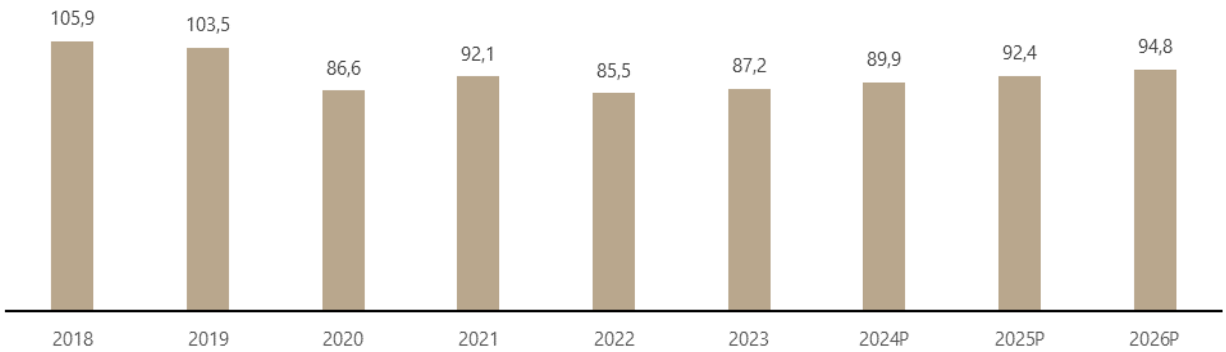
4. FACTORS AND EVENTS WITH BEARING ON THE PERFORMANCE OF THE CCC GROUP

4.1 MARKET ENVIRONMENT AND COMPETITION IN OUR KEY REGIONS

The main exogenous factors affecting the Group's business are the macroeconomic environment, industry outlook, and the competitive environment in the Group's key operating regions.

According to Statista forecasts, the European footwear market will grow at a CAGR of 2.8% (CAGR 2023–2026). The CCC Group’s main sales market is the clothing and footwear market of Central and Eastern Europe (CEE).

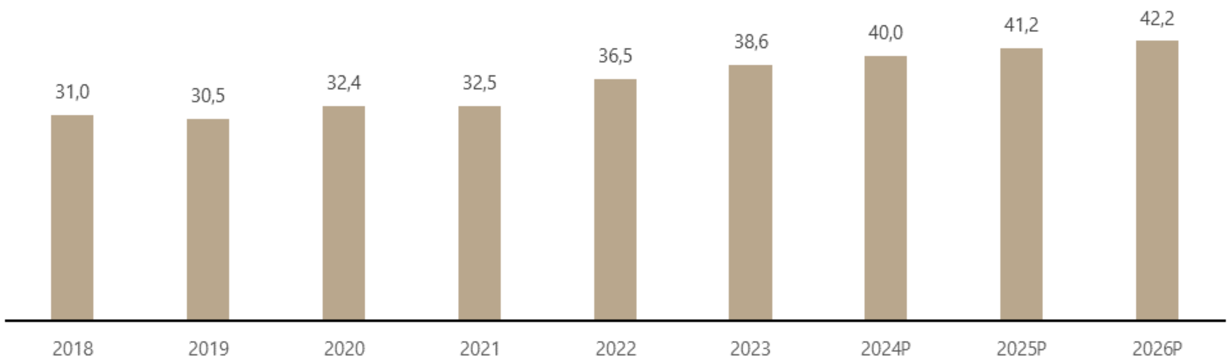
VALUE OF THE EUROPEAN FOOTWEAR MARKET [USD BILLION]
CAGR '23-'26 2.8%



Source: Statista

Statista analysts expect unit footwear prices to grow at a CAGR of ca. 3% in 2023–2026. The strongest growth rates are expected for leather and textile footwear.

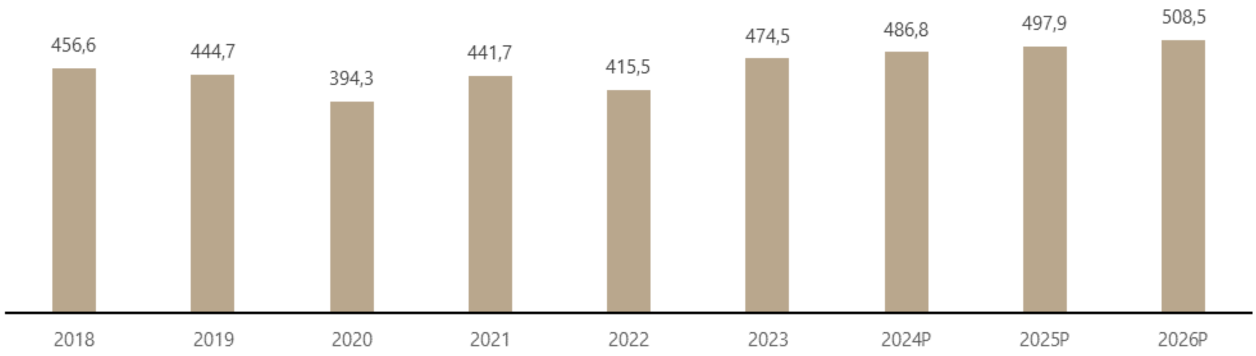
AVERAGE UNIT FOOTWEAR PRICE - EUROPE [USD]
CAGR '23-'26 3.0%



Source: Statista

In 2026, the value of the European clothing market will be around USD 508.5bn, implying a CAGR of nearly 2.3% for 2023–2026, according to Statista.

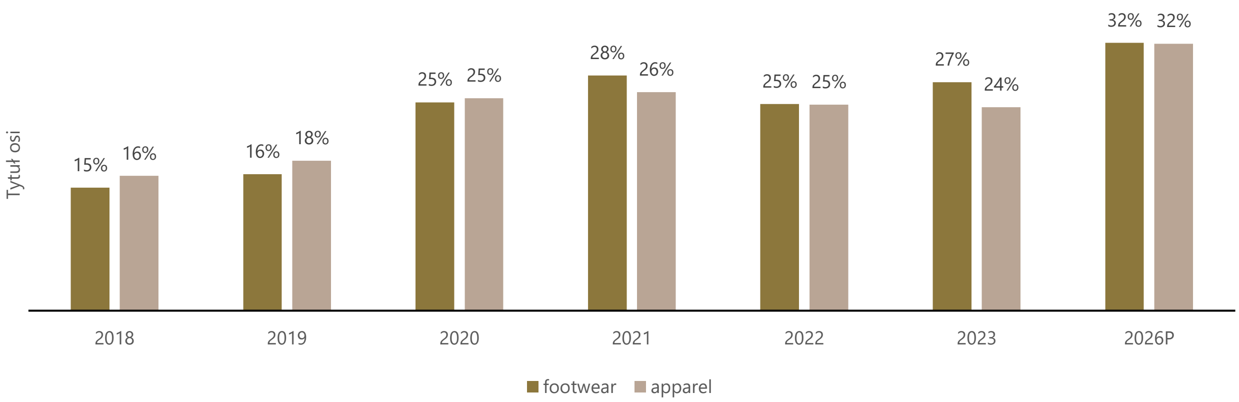
VALUE OF THE EUROPEAN CLOTHING MARKET [USD BILLION]
CAGR '23-'26 2.3%



Source: Statista

Statista analysts expect e-commerce to further gain in prominence as a sales channel for footwear and clothing. According to their forecasts, in 2026 the share of online in total revenue generated by footwear and clothes retailers will reach approximately 32%. This means an increase of approximately 5pp and 8pp in the footwear and clothing segments, respectively, relative to 2023.

SHARE OF ONLINE IN TOTAL SALES



Source: Statista

4.2 MACROECONOMIC DEVELOPMENTS IN POLAND AND CENTRAL AND EASTERN EUROPE

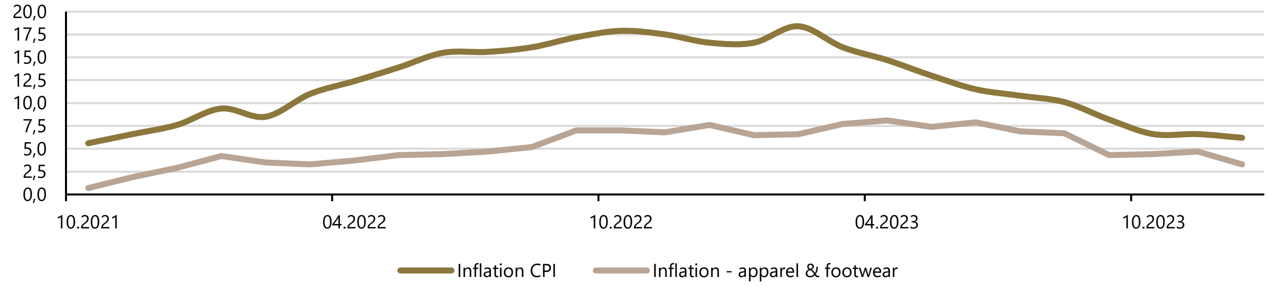
The CCC Group operates mainly on the markets of Central and Eastern Europe, with a clear dominance of the Polish market. As a result of the location of the Group's sales channels in this region, the condition of the CEE economies has a significant impact on the sales of the Group.

The main factors that influenced the financial results in the reporting period were:

1) change in disposable income of consumers, change in propensity for consumption, change of shopping preferences

Inflation was rising fast over the past months, peaking in February. Currently, we are seeing the process of disinflation.

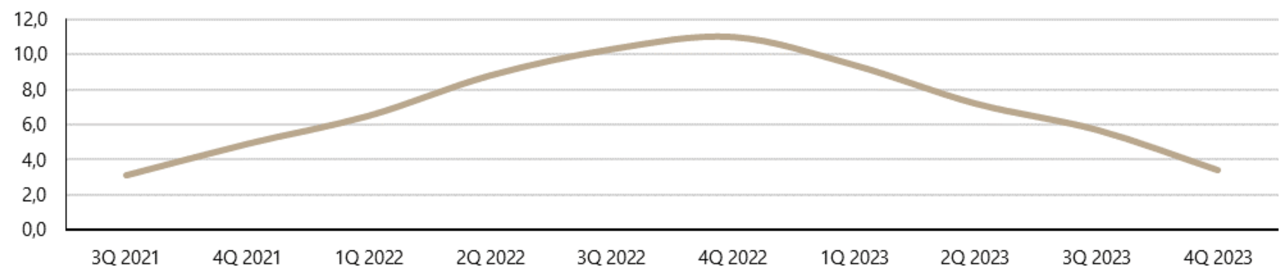
INFLATION IN POLAND [%]



Source: Statistics Poland

Growing inflation changes the distribution of disposable income of consumers and consequently affects their shopping preferences. Customers tend to choose cheaper products and show higher price sensitivity. The Group makes every effort to ensure that the product offering is best tailored to customers' needs. Inflation for clothes and footwear has also been rising in recent months, albeit still at a slower rate than CPI.

INFLATION IN THE EUROPEAN UNION (HICP) [%]



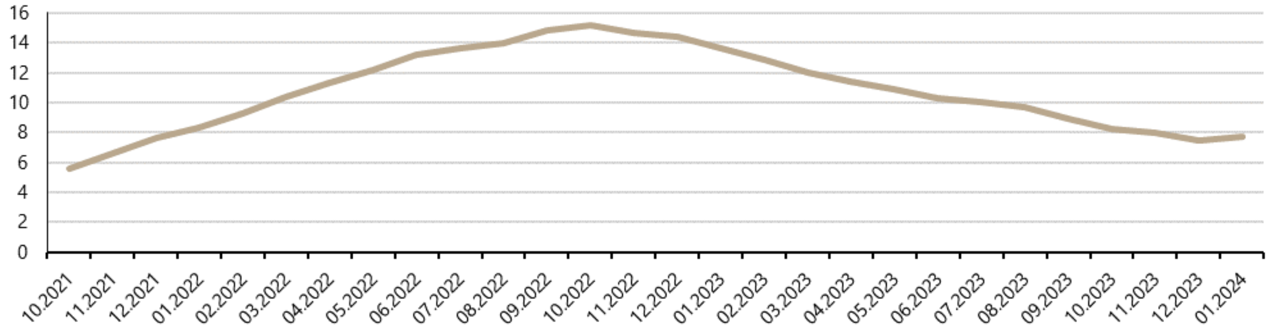
Source: EC

Although inflation has already passed its peak across the European Union, it remains at an elevated level. According to European Commission data, the HICP inflation rate was approximately 3.4% for all member states in the fourth quarter of 2023.

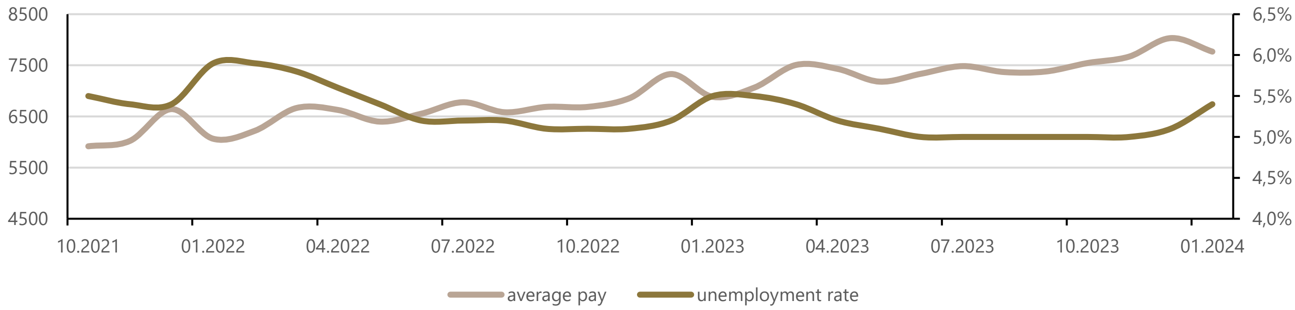
2) cost pressures

The inflation's impact is also seen on the cost side. Since 2021, wages have been rising rapidly while unemployment remained relatively low. Such a situation leads to wage pressures.

INCREASE IN ASSEMBLY AND CONSTRUCTION PRICES [%]



UNEMPLOYMENT RATE AND WAGE GROWTH [%]

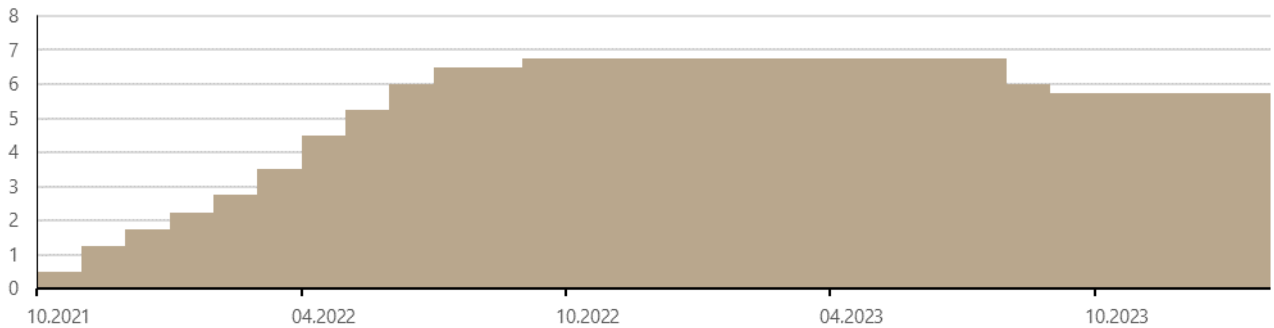


Source: Statistics Poland, National Bank of Poland

Since the second half of 2021, the prices of construction and assembly output have been growing rapidly, which mainly affected the costs and expenditure on the expansion of the offline sales chain. The growth in prices of construction and assembly output has been slightly decelerating since the end of 2022. The CCC Group takes numerous measures to mitigate the inflationary cost increase.

3) interest rate development

REFERENCE RATE IN POLAND [%]



Source: NBP

Due to the strong growth of inflation in Poland, in October 2021 the Monetary Policy Council of the National Bank of Poland started a series of reference rate rises. In September 2022, the reference rate was increased to 6.75%. An interest rate-cutting cycle commenced in September 2023, with the reference rate currently at 5.75%. The interest rate hikes lead to higher debt service costs for the Group.

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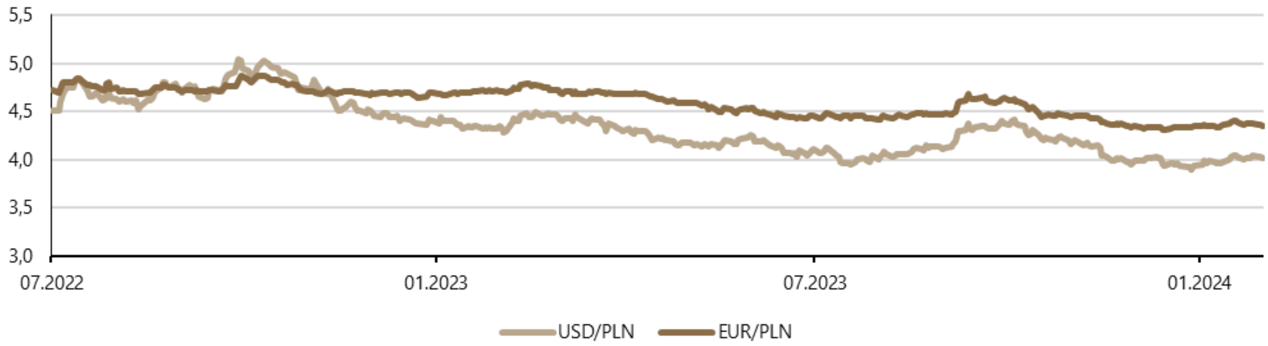
4) foreign exchange

EUR/PLN AND USD/PLN EXCHANGE RATES [PLN]



Source: NBP

CHANGES IN EXCHANGE RATES

Part of the CCC Group's transactions are denominated in foreign currencies. The USD and EUR exchange rates have an impact on the structure of revenue and costs. As the Group imports merchandise whose purchase prices are mainly denominated in USD, and also sells finished goods on foreign markets where selling prices are denominated in EUR, the Group is exposed to currency risk. Additionally, the Group extends loans denominated in foreign currencies.

PERIOD (USD/PLN)	HIGH	LOW	END OF PERIOD	MID
1 Feb 2023–31 Jan 2024	4.4888	3.8990	4.0135	4.1544
1 Feb 2022–31 Jan 2023	5.0381	3.9218	4.3480	4.4873

PERIOD (EUR/PLN)	HIGH	LOW	END OF PERIOD	MID
1 Feb 2023–31 Jan 2024	4.7895	4.3053	4.3434	4.4979
1 Feb 2022–31 Jan 2023	4.9647	4.4879	4.7089	4.6975

In late 2021 and early 2022, the geopolitical situation contributed to a strengthening of foreign currencies – the euro and US dollar – against the Polish złoty. The situation normalised in late 2022 and early 2023. In recent months, we have been seeing a gradual appreciation of the Polish złoty against the major foreign currencies. A depreciation or appreciation of the złoty has an impact on gross margin (USD, EUR) and rental costs (EUR). The Group mitigates the impact of changes in foreign exchange rates on its performance by actively adjusting its pricing and discount policies. It also seeks to enter into contracts providing for flexible terms of lease of retail space, and some of its revenue is generated in the euro.

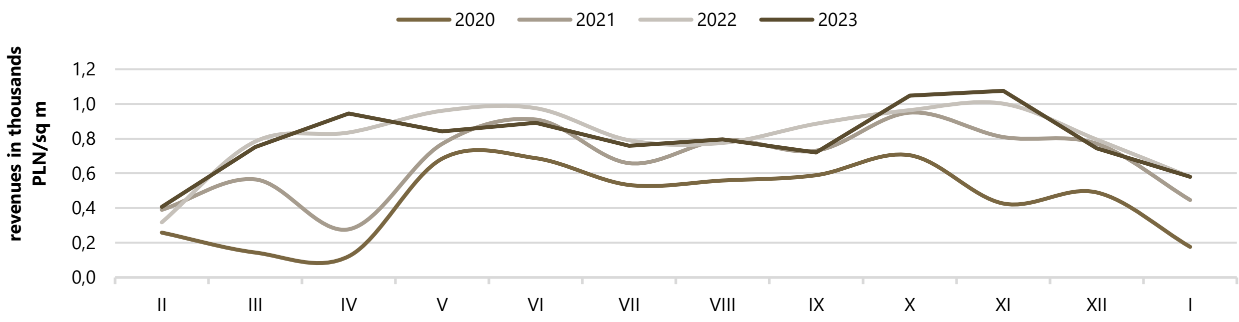
In 2023, the macroeconomic situation was relatively adverse for the consumer industry, primarily due to the outbreak of the war in Ukraine. However, at the turn of 2023 and in early 2024, a gradual increase in real wages was seen. In recent months, a notable improvement in consumer sentiment has been observed, as reflected by progressively positive retail sales data. This is further supported by government transfers and fiscal stimuli. With this in mind, the Group anticipates a recovery in consumer purchasing power in 2024.

The CCC Group enters 2024 with considerable optimism. With a well-organised operation focused on cost discipline and profitable market penetration, it operates four robust, complementary, and appealing retail business lines. These lines consistently improve the product selection, ensuring the delivery of substantial margins.

4.3 SEASONALITY

The weather and seasonality have a significant effect on the distribution of revenue during the financial year (peak demand falls in spring and autumn). Disruptive weather conditions can result in customers postponing purchasing decisions or in a shortened peak sales season.

Seasonality of revenue for CCC network in Poland in 2020–2023



4.4 KEY TRENDS IN THE FOOTWEAR AND CLOTHING MARKET AND CUSTOMERS' SHOPPING HABITS:

The Group has identified the following trends which currently shape the footwear and clothing market and affect customers:

1. Product

- The significant role of fashion, driven, among other things, by the rapid spread of new fashion trends involving the use of social media
- Development of casual and sports footwear (sneakerisation):
- Growing importance of environmental aspects of products and circular approach (secondary circulation)

2. Competition

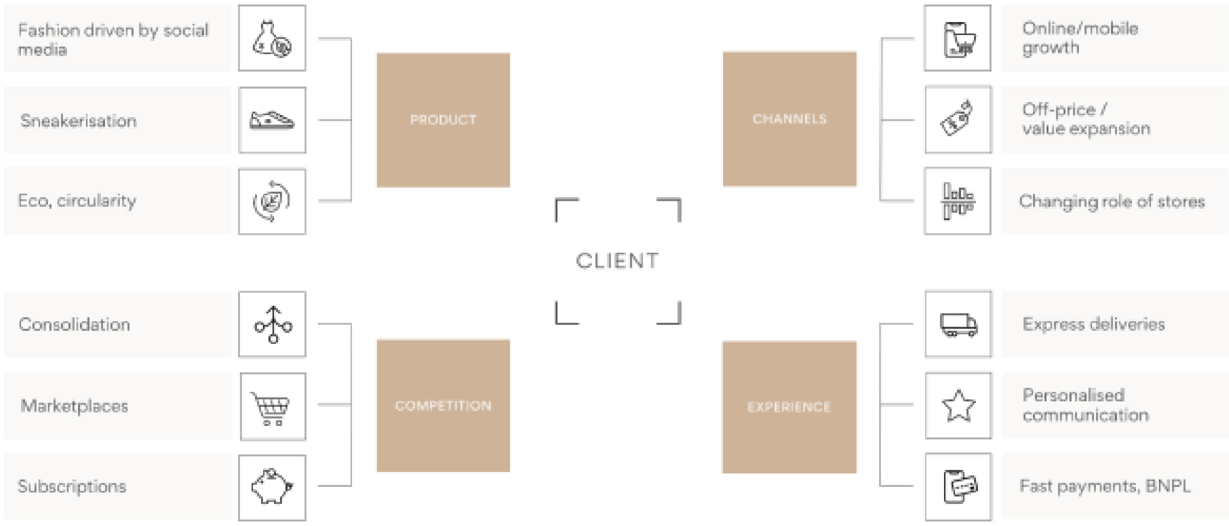
- Growing and evolving competition – both the emergence of new players and diversification of the product ranges offered by existing competitors

3. Customer and sales channels

- A decelerating growth of online penetration, coupled with increased customer interest in offline and omnichannel experience
- Continued off-price/value range expansion
- Evolving role of offline stores – stores as part of omnichannel distribution systems and places where brand experience is created

4. Experience

- Acceleration of deliveries, including the next business day and same day delivery models
- Personalised communication – growing importance of direct interaction with customers, personalisation of the message and continuous feedback
- Fast payments and deferred payments – further rollout of electronic payment solutions and popularisation of deferred payment methods



<u>As a result, customers today make purchases in an increasingly complex manner involving multiple channels</u>:

1. They shops online and use digital solutions

- They expect a consistent experience across all channels
- They are more likely to shop online
- They pay digitally

2. They appreciate a positive shopping experience and extra services

- They expect personalised communication
- They expect fast delivery
- They are likely to choose deferred payment solutions

3. They make informed purchasing decisions

- They look for 'value for money' products
- They are more likely to buy from local brands
- They care about environmental and community support aspects

4.5 STRATEGY ALIGNED WITH MARKET CHANGES

The CCC Group's current growth strategy ("GO.25") was unveiled in late 2021. Events that followed shortly thereafter (the outbreak of war in Ukraine, surging commodity prices and inflation, currency fluctuations, weakening of consumer purchasing power, to name a few), as well as the lingering impacts of the COVID-19 pandemic at that time, forced the CCC Group to promptly adjust and adapt its operations and strategy to the new and highly volatile market conditions. Specifically, the Group's expansion plans had to be recalibrated to account for a slower-than expected growth, and certain operational objectives were deprioritised. At the same time, there was an acceleration in developing the product base through a model that employs trademarks of international footwear and clothing brands. Additionally, efforts to reinforce the business model, rooted in the CCC Group's unique ecosystem, were intensified, supported by dynamic expansion of HalfPrice. This section presents an updated and revised version of the CCC Group's original strategy, incorporating these recent developments. The CCC Group is now a lean, nimble organisation with a structured business model, and is improving its profitability by focusing on margin strengthening and cost discipline. Completing the refinancing process on terms favourable to the Company will enable it to resume a trajectory of dynamic and profitable growth, with the development of HalfPrice serving as the flywheel for this growth over the coming three years.

<u>The Group's strategy is implemented through an omnichannel platform whose key elements are:</u>

1. Business lines

Four robust, mutually complementary business lines: CCC, HalfPrice, eobuwie, and Modivo, which collectively enhance the Group's reach by offering a broad spectrum of products, engaging consumers through multiple sales channels, and targeting a wide range of price points.

2. Channels

A blend of own offline and online channels, targeting both the full-price and off-price market segments and enabling customers to select their preferred shopping method and price range for a wide variety of products.

3. Products and brands

A diverse product mix, comprised of an extensive selection of footwear, clothing, accessories, and more from proprietary, licensed, and well-established partner brands.

4. Platform foundations

These include primarily product procurement and sourcing, supply chain management, technology, partnerships with external stakeholders (such as suppliers, brand owners, and lessors), communications, finance, sustainability initiatives, and organisational culture.

The CCC Group's omnichannel platform is a unique ecosystem for products representing various brands (both proprietary and third-party brands, which are consistently developed by the Group), enabling the flow of products from full-price (CCC, eobuwie, Modivo) to off-price (HalfPrice) channels.

As part of its current strategy, looking ahead to 2025, the CCC Group has identified the following strategic objectives:

1) **Scaling up the business**: doubling the Group's revenue relative to the LTM figure posted in Q3 2021 by utilising its omnichannel capacities; importantly, securing business profitability is given priority over achieving growth alone;

2) **Improving EBITDA margin**: consistently increasing margins year after year to match the top margin benchmarks for the retail sector (across its different segments);

3) **Expanding product offerings, including adding new categories**: continued expansion of product categories tied together by fashion and branding, such as clothing;

4) **Contribution of online sales:** focusing on ensuring well-balanced, comparable percentage shares between pure online and digitalised offline channels;

5) **NPS**: increasing the Group's customer NPS through continued customer-centric focus and enhancing customer experience on an ongoings basis,

and Sustainable Development Goals, that is low-carbon circular economy, diversity and transparency, which underpin our strategic efforts.

The CCC Group's strategy is discussed at length in the section devoted to the CCC Group's strategy.

4.6 OPERATIONAL DATA ON MODIVO S.A. SALES

KPI	Unit	Business line	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Share of mobile visits	%	eobuwie	83.4%	82.6%	81.5%	84.7%	82.2%
		Modivo	81.2%	80.5%	77.4%	80.3%	81.0%
Conversion rate	%	eobuwie	1.7%	1.7%	2.1%	1.80%	1.71%
		Modivo	1.5%	1.4%	1.7%	1.44%	1.48%
Active customers	'000	eobuwie	8,219.1	8,099.0	7,926.4	7,740.8	7,599.7
		Modivo	2,164.5	2,315.4	2,445.5	2,495.0	2,449.3
Number of SKUs	'000	eobuwie	145.0	159.0	150	125	143
		Modivo	117.0	132.0	124	132	120
		Modivo + Marketplace	174.0	190.0	292	347	384

Definitions:

Share of mobile visits – share of visits via the mobile channel (including the tablet) in the total number of sessions.

Conversion rate – the total number of orders divided by the total number of sessions.

Active customers – the number of customers who have made at least one transaction in the last 12 months.

Average number of SKUs (Stock Keeping Units) – the average number of SKUs in the main warehouse during a quarter, rounded to the nearest thousand.

5. ANALYSIS OF SELECTED FINANCIAL AND OPERATING DATA OF THE CCC GROUP

5.1 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenue, cost of sales and gross profit

How we define the individual components of the result:

Revenue includes revenue from sales of merchandise, products and services in the ordinary course of business. The segment revenue data presented in the tables below presents revenue from sales to external customers – intra-group sales were eliminated and consolidation adjustments were made so that the revenue presented below is the same as revenue disclosed in the consolidated financial statements.

The Group' **cost of sales** includes: costs of goods sold, cost of packaging sold, cost of provisions for complaints, costs of finished goods sold, inventory write-downs and impairment losses on property, plant and equipment and intangible assets used to manufacture goods or to provide services (depreciation of production machinery), salaries and wages of the production personnel, and other production costs.

Gross profit on sales is calculated as the difference between revenue and cost of sales, and gross profit margin as the ratio of gross profit to revenue from sales to external customers.

EBIT is gross profit (revenue – cost of sales) less costs of points of purchase and distribution.

EBITDA is EBIT less administrative expenses and other expenses, plus other income. The change in the presentation of segment results is intended to align the presented financial data with analyses carried out by the Group's Management Board in connection with operational expansion of the CCC Group and its business lines. It is also intended to provide the target performance measure for each operating segment.

In the analysis we also use sales of like-for-like stores (the definition of this measure is given in the respective tables).

Omnichannel sales in Poland are managed by CCC S.A. (which also provided logistics services to CCC.eu Sp. z o.o. up until 31 August 2023, after which date the logistics operations were consolidated within the latter company), Modivo S.A., HalfPrice Sp. z o.o., and DeeZee Sp. z o.o. Omnichannel sales outside Poland are carried out by the subsidiaries indicated in the section devoted to the structure of the CCC Group.

Consolidated Directors' Report on the operations of the CCC Group for the 12 months from 1 February 2023 to 31 January 2024 (all amounts in PLN million unless stated otherwise)

REVENUE

REVENUE [1]						
	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
CCC	1,051.3	1,036.3	*1.4%*	4,000.1	4,175.2	*-4.2%*
HalfPrice	436.0	285.1	*52.9%*	1,418.0	843.1	*68.2%*
eobuwie	695.0	774.8	*-10.3%*	2,840.9	3,081.3	*-7.8%*
Modivo	316.7	316.8	*0.0%*	1,091.0	895.0	*21.9%*
DeeZee	22.3	28.7	*-22.3%*	90.3	115.8	*-22.0%*
Total	**2,521.3**	**2,441.7**	***3.3%***	**9,440.3**	**9,110.4**	***3.6%***
Not allocated to segments/discontinued operations	0.0	0.0	-	0.0	12.8	*-100.0%*
Total	**2,521.3**	**2,441.7**	***3.3%***	**9,440.3**	**9,123.2**	***3.5%***

REVENUE [1]						
	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
Poland	1,332.1	1,242.1	*7.2%*	5,131.7	4,818.9	*6.5%*
Central and Eastern Europe	952.1	939.2	*1.4%*	3,438.9	3,362.7	*2.3%*
Western Europe	237.1	260.4	*-8.9%*	869.7	928.8	*-6.4%*
Total	**2,521.3**	**2,441.7**	***3.3%***	**9,440.3**	**9,110.4**	***3.6%***
Not allocated to segments/discontinued operations	0.0	0.0	-	0.0	12.8	-
Total	**2,521.3**	**2,441.7**	***3.3%***	**9,440.3**	**9,123.2**	***3.5%***

[1] Only revenue from external customers.

In the reporting period, revenue was PLN 9,440.3m, having increased by PLN 317.1m (+3.5%) year on year. The largest contributor to the increase in the Group’s revenue was the rapidly growing HalfPrice segment (PLN +574.9m; +68.2%). In the CCC segment, revenue decreased by PLN 175.1m (-4.2%). Eobuwie saw a drop of revenue by PLN 240.4m (-7.8%), Modivo delivered an increase of PLN 196.0m (+21.9%), and DeeZee's revenue fell by PLN 25.5m (-22.0%).

During the reporting period, revenue was primarily impacted by the adverse macroeconomic conditions facing the consumer industry, an outcome of the war in Ukraine. Last year saw a decrease in consumer disposable income, attributed to rising inflation and higher interest rates. Furthermore, during the period in question, the e-commerce sector continued to face overstocking issues that began in 2022. These factors contributed to a high level of competitiveness, which in turn affected price levels and margins, as well as online traffic acquisition costs.

LIKE-FOR-LIKE STORES

The revenue was affected by the change in sales at like-for-like stores and changes resulting from the opening and closing of retail outlets, as well as the continued development of the new off-price format and product range expansion. The breakdown of revenue into like-for-like sales and sales by newly opened or closed outlets is presented below.

BREAKDOWN OF REVENUE INTO LIKE-FOR-LIKE SALES AND SALES BY NEWLY OPENED OR CLOSED OUTLETS.

		LIKE-FOR-LIKE STORES [1]				OTHER STORES [2]		
BUSINESS LINE	SALES CHANNEL	NUMBER	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
			audited	audited		audited	audited	
CCC	Offline	627.0	2,531.9	2,673.7	*-5.3%*	777.7	823.6	*-5.6%*
HalfPrice	Offline	39.0	469.6	412.6	*13.8%*	902.2	398.1	*126.6%*
Total		**666.0**	**3,001.5**	**3,086.3**	***-2.7%***	**1,679.9**	**1,221.7**	***37.5%***

		LIKE-FOR-LIKE STORES [1]				OTHER STORES [2]		
BUSINESS LINE	SALES CHANNEL	NUMBER	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]
			unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
CCC	Offline	703.0	757.8	716.0	*5.8%*	108.7	117.2	*-7.3%*
HalfPrice	Offline	71.0	234.9	223.4	*5.1%*	192.3	49.3	*290.2%*
Total		**774.0**	**992.7**	**939.5**	***5.7%***	**301.0**	**166.5**	***80.8%***

[1] Like-for-like stores are stores that operated without interruption in the financial years 2022 and 2023.
[2] All other stores, including new stores opened in the current or previous year; stores closed in the current or previous year; and stores which temporarily suspended operations.

The PLN 373.5m year-on-year growth in the Offline Segment's revenue was largely attributable to revenue from like-for-like stores (down PLN 84.7m, including down PLN 141.7m for CCC and up PLN 57.0m for HalfPrice) and revenue from other stores (up PLN 458.2m, including down PLN 45.9m for CCC and up PLN 504.1m for HalfPrice).

As at the end of the reporting period (31 January 2024), the retail space was 742.7 thousand m^2, up 60.4 thousand m^2 year on year (HalfPrice: up 74.6 thousand m^2; CCC: down 14.2 thousand m^2).

GROSS PROFIT

GROSS PROFIT						
	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
CCC	584.4	490.3	*19.2%*	2,218.4	2,178.6	*1.8%*
HalfPrice	212.8	123.7	*72.0%*	621.9	390.7	*59.2%*
eobuwie	243.8	299.0	*-18.5%*	1,103.3	1,274.7	*-13.4%*
Modivo	106.2	126.8	*-16.2%*	401.3	366.9	*9.4%*
DeeZee	12.0	10.3	*16.5%*	49.2	54.5	*-9.7%*
Total	**1,159.2**	**1,050.1**	***10.4%***	**4,394.1**	**4,265.4**	***3.0%***
Not allocated to segments/discontinued operations	0.0	0.0	-	0.0	0.0	-
Total	**1,159.2**	**1,050.1**	***10.4%***	**4,394.1**	**4,265.4**	***3.0%***

In the reporting period, consolidated gross profit was PLN 4,394.1m, having increased by PLN 128.7m (+3.0%) year on year.

CCC (50.5%) and eobuwie (25.1%) accounted for the largest shares of total gross profit in the reporting period. Consolidated gross margin in the reporting period was 46.5%, on a par with the prior year's level.

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From the business lines' perspective, margin expansion is at CCC (+3.3pp) and DeeZee (+7.4pp) as a result of improved inventory structure and lower price discounting. Margin declines seen at eobuwie (-2.6pp), MODIVO (-4.2pp) and HalfPrice (-2.4pp) are primarily related to efforts to improve the inventory structure and to de-stocking at the Modivo group.

OPERATING PROFIT (LOSS)						
	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
CCC	135.1	-22.1	*<-100%*	315.6	-85.5	*<-100%*
HalfPrice	42.7	7.7	*>100%*	32.6	0.9	*>100%*
eobuwie	-57.4	-43.6	*31.7%*	-125.5	18.5	*<-100%*
Modivo	-27.4	9.2	*<-100%*	-44.8	9.5	*<-100%*
DeeZee	2.4	-1.3	*<-100%*	6.0	5.3	*13.2%*
Total	**95.4**	**-50.1**	***<-100%***	**183.9**	**-51.3**	***<-100%***
Not allocated to segments/discontinued operations	0.0	0.0	-	0.0	0.0	-
Total	**95.4**	**-50.1**	***<-100%***	**183.9**	**-51.3**	***<-100%***

SEGMENT PROFIT (EBITDA)						
	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
CCC	210.0	74.9	*>100%*	692.0	339.6	*>100%*
HalfPrice	82.2	32.6	*>100%*	150.6	85.1	*77.0%*
eobuwie	-35.9	-24.3	*47.7%*	-44.3	82.5	*<-100%*
Modivo	-22.3	12.0	*<-100%*	-26.6	17.3	*<-100%*
DeeZee	2.6	-1.2	*<-100%*	6.7	6.4	*4.7%*
Total	**236.6**	**94.0**	***>100%***	**778.4**	**530.9**	***46.6%***
Not allocated to segments/discontinued operations	0.0	-2.3	*-100.0%*	0.0	0.0	-
Total	**236.6**	**91.7**	***>100%***	**778.4**	**530.9**	***46.6%***

The consolidated profit of the segment (as measured with EBITDA) for the reporting period was PLN 778.4m and increased by PLN 247.5m (+46.6%). The largest contribution came from the CCC segment (PLN 692.0m, accounting for 88.9%) and HalfPrice (PLN 150.6m, 19.3%).

Operating costs

<u>How we define the individual components of the result</u>

Costs of points of purchase and distribution comprise costs of operating the stores, other retail outlets and websites as well as distribution costs which cannot be directly allocated to store operations and are incurred by sales support functions. This item mainly includes salaries and wages of employees of stores and sales support units, and depreciation of the right-of-use assets under store lease contracts; depreciation of property, plant and equipment; amortisation of intangible assets; impairment of property, plant and equipment, rights-of-use assets, and intangible assets; cost of services; retail tax; other expenses.

Administrative expenses include costs related to the management of the Group's general business activities (general and administrative expenses) and the Group's overheads.

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COSTS OF POINTS OF PURCHASE AND DISTRIBUTION

COSTS OF POINTS OF PURCHASE AND DISTRIBUTION						
	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
Salaries, wages and employee benefits	-254.7	-244.2	4.3%	-991.4	-980.0	1.2%
Advertising	-258.9	-287.5	-9.9%	-937.0	-965.0	-2.9%
Depreciation/amortisation	-126.1	-128.5	-1.9%	-536.6	-532.4	0.8%
Transport services	-110.6	-116.4	-5.0%	-453.9	-470.0	-3.4%
Other rental costs – utilities and other variable costs	-99.3	-63.9	55.4%	-394.0	-300.9	30.9%
Other costs	-94.8	-86.5	9.6%	-366.4	-338.2	8.3%
Raw material and consumables used	-33.0	-66.6	-50.5%	-121.5	-182.8	-33.5%
Taxes and charges	-22.5	-13.2	70.5%	-66.2	-45.8	44.5%
Total	**-999.9**	**-1,006.8**	**-0.7%**	**-3,867.0**	**-3,815.1**	**1.4%**

In the reporting period, costs of points of purchase and distribution were PLN 3,867.0m, having increased by PLN 51.9m (+1.4%). However, this growth was slower compared with the rate of revenue increase (+3.5%). The most significant cost categories are salaries and employee benefits, advertising, and depreciation/amortisation, which accounted for 25.6% (+1.2% y/y), 24.2% (-2.9% y/y), and 13.9% (+0.8% y/y) of the total costs of points of purchase and distribution, respectively.

ADMINISTRATIVE EXPENSES

ADMINISTRATIVE EXPENSES						
	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
Salaries, wages and employee benefits	-34.0	-53.3	-36.2%	-169.3	-186.9	-9.4%
Other costs	-21.6	-29.0	-25.5%	-94.1	-95.5	-1.5%
Depreciation/amortisation	-15.1	-13.3	13.5%	-57.9	-49.8	16.3%
Raw material and consumables used	-10.9	-8.5	28.2%	-33.2	-31.6	5.1%
Other rental costs – utilities and other variable costs	-6.5	-8.8	-26.1%	-22.8	-27.3	-16.5%
Taxes and charges	-1.8	-1.5	20.0%	-5.7	-5.7	0.0%
Advertising	-0.5	0.0	-	-1.0	-2.2	-54.5%
Transport services	-0.2	-0.1	100.0%	-0.9	-0.5	80.0%
Total	**-90.6**	**-114.5**	**-20.9%**	**-384.9**	**-399.5**	**-3.7%**

In the reporting period, administrative expenses amounted to PLN 384.9m, down by PLN 14.6m (-3.7%) year on year. The most significant cost groups included salaries, wages and employee benefits and other costs, which represented 44.0% (-9.4% y/y) and 24.4% (-1.5% y/y) of administrative expenses, respectively.

The cost structure and levels reflect the Group's stringent cost control measures, including efforts to reduce energy consumption by implementing advanced energy management systems.

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FINANCIAL RESULTS BY BUSINESS LINE

CCC	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
Revenue from sales to external customers	1,051.3	1,036.3	*1.4%*	4,000.1	4,175.2	*-4.2%*
Gross profit	**584.4**	**490.3**	***19.2%***	**2,218.4**	**2,178.6**	***1.8%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*56%*	*47%*	*17.5%*	*55%*	*52%*	*6.3%*
Costs of points of purchase and distribution	-405.0	-453.5	*-10.7%*	-1,684.0	-1,897.8	*-11.3%*
Administrative expenses	-63.6	-75.0	*-15.2%*	-252.1	-271.4	*-7.1%*
Other income and expenses, and (recognition) / reversal of loss allowances	19.3	16.1	*19.9%*	33.3	-94.9	*<-100%*
Operating profit (loss)	**135.1**	**-22.1**	***<-100%***	**315.6**	**-85.5**	***<-100%***
Depreciation/amortisation	-74.9	-97.0	*-22.8%*	-376.4	-425.1	*-11.5%*
SEGMENT PROFIT (EBITDA)	**210.0**	**74.9**	***>100%***	**692.0**	**339.6**	***>100%***

Segment assets:	**31 Jan 2024**	**31 Jan 2023**	**Change [%]**
Inventories	**1,181.8**	**1,044.8**	***13.1%***
in stores	566.2	617.7	*-8.3%*
in the central warehouse	615.6	427.1	*44.1%*

Revenue in the CCC segment in the reporting period was PLN 4.0bn, a decrease of PLN 175.1m (-4.2%).

During the reporting period, revenue was primarily impacted by the adverse macroeconomic conditions facing the consumer industry, an outcome of the war in Ukraine. Last year saw a decrease in consumer disposable income, attributed to rising inflation and higher interest rates.

Furthermore, in the reporting period, there was a 3.3pp improvement in margins compared with the previous year, resulting from improvements in inventory structure and the optimisation of the scale and structure of promotional activities. The segment also recorded a 16% decrease in operating expenses as a result of the implemented cost reduction programme, resulting in the segment delivering twice the EBITDA reported in the previous year.

The increase in inventory in the CCC segment (PLN +137.0m; +13.1%) is aligned with the sales plan.

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HalfPrice	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
Revenue from sales to external customers	436.0	285.1	*52.9%*	1,418.0	843.1	*68.2%*
Gross profit	**212.8**	**123.7**	***72.0%***	**621.9**	**390.7**	***59.2%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*49%*	*43%*	*12.5%*	*44%*	*46%*	*-5.4%*
Costs of points of purchase and distribution	-161.2	-111.0	*45.2%*	-560.9	-373.9	*50.0%*
Administrative expenses	-9.0	-3.7	*>100%*	-29.9	-17.5	*70.9%*
Other income and expenses, and (recognition) / reversal of loss allowances	0.1	-1.3	*<-100%*	1.5	1.6	*-6.3%*
Operating profit (loss)	**42.7**	**7.7**	***>100%***	**32.6**	**0.9**	***>100%***
Depreciation/amortisation	-39.5	-24.9	*58.6%*	-118.0	-84.2	*40.1%*
SEGMENT PROFIT (EBITDA)	**82.2**	**32.6**	***>100%***	**150.6**	**85.1**	***77.0%***

Segment assets:	**31 Jan 2024**	**31 Jan 2023**	**Change [%]**
Inventories	**659.0**	**328.3**	***>100%***
in stores	285.9	162.6	*75.8%*
in the central warehouse	373.1	165.7	*>100%*

Revenue in the HalfPrice segment for the reporting period amounted to PLN 1.4 billion, marking an increase of PLN 574.9m (+68.2%), due to the consistent expansion of the store network and an increase in like-for-like (LFL) sales.

In the reported period, the segment’s margin declined by 2.4pp from the previous year. Operating expenses increased by 51.2% due to the dynamic development of this segment, yet this increase was at a lower rate than the revenue growth. The segment generated segment EBITDA 77.0% higher than in the previous year.

Inventory growth in the HalfPrice segment (+PLN 330.7m; +>100%) is a result of the growth and expansion of the chain.

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eobuwie	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
Revenue from sales to external customers	695.0	774.8	*-10.3%*	2,840.9	3,081.3	*-7.8%*
Gross profit	**243.8**	**299.0**	***-18.5%***	**1,103.3**	**1,274.7**	***-13.4%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*35%*	*39%*	*-9.1%*	*39%*	*41%*	*-6.1%*
Costs of points of purchase and distribution	-296.7	-320.5	*-7.4%*	-1,163.4	-1,166.0	*-0.2%*
Administrative expenses	-11.4	-25.7	*-55.6%*	-72.9	-81.9	*-11.0%*
Other income and expenses, and (recognition) / reversal of loss allowances	6.9	3.6	*91.7%*	7.5	-8.3	*<-100%*
Operating profit (loss)	**-57.4**	**-43.6**	***31.7%***	**-125.5**	**18.5**	***<-100%***
Depreciation/amortisation	-21.5	-19.3	*11.4%*	-81.2	-64.0	*26.9%*
SEGMENT PROFIT (EBITDA)	**-35.9**	**-24.3**	***47.7%***	**-44.3**	**82.5**	***<-100%***

Segment assets:	**31 Jan 2024**	**31 Jan 2023**	**Change [%]**
Inventories	**810.7**	**962.2**	***-15.7%***
in stores	85.9	98.6	*-12.9%*
in the central warehouse	724.8	863.6	*-16.1%*

Revenue in the eobuwie segment in the reporting period was PLN 2.8 billion, which represents a decrease of PLN 240.4m (-7.8%). It was primarily affected by the ongoing overstocking issues within the e-commerce industry that have persisted since 2022. These factors contributed to a high level of competitiveness, which in turn affected price levels and margins, as well as online traffic acquisition costs. Consequently, in the reporting period, there was a decrease in margin of 2.6pp compared with the previous year and a 2.2% reduction in operating expenses. As a result, the segment's EBITDA loss was PLN 126.8m higher than a year earlier.

Decrease in inventory in the eobuwie segment (PLN 151.5m; -15.7%) was related to the implementation of the working capital optimisation programme.

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Modivo	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
Revenue from sales to external customers	316.7	316.8	*0.0%*	1,091.0	895.0	*21.9%*
Gross profit	**106.2**	**126.8**	***-16.2%***	**401.3**	**366.9**	***9.4%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*34%*	*40%*	*-16.2%*	*37%*	*41%*	*-10.3%*
Costs of points of purchase and distribution	-128.0	-110.1	*16.3%*	-420.8	-332.1	*26.7%*
Administrative expenses	-5.6	-8.2	*-31.7%*	-25.3	-22.9	*10.5%*
Other income and expenses, and (recognition) / reversal of loss allowances	0.0	0.7	*-100.0%*	0.0	-2.4	*-100.0%*
Operating profit (loss)	**-27.4**	**9.2**	***<-100%***	**-44.8**	**9.5**	***<-100%***
Depreciation/amortisation	-5.1	-2.8	*82.1%*	-18.2	-7.8	*>100%*
SEGMENT PROFIT (EBITDA)	**-22.3**	**12.0**	***<-100%***	**-26.6**	**17.3**	***<-100%***

Segment assets:	**31 Jan 2024**	**31 Jan 2023**	**Change [%]**
Inventories	**239.8**	**335.7**	***-28.6%***
in stores	5.1	4.5	*13.3%*
in the central warehouse	234.7	331.2	*-29.1%*

Revenue in the Modivo segment in the reporting period was PLN 1.1bn, which represents an increase of PLN 196.0m (+21.9%).

In the reporting period, there was a decrease in margin of 4.2pp compared with the previous year and a 24.8% increase in operating expenses. As a result, the segment's EBITDA loss was PLN 43.9m higher than a year earlier.

A decrease in inventory in the MODIVO segment (PLN 95.9m -28.6%) was due to the effective implementation of the working capital optimisation programme.

The results were impacted by the same factors as those outlined in the summary of the eobuwie business line's performance.

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DeeZee	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
Revenue from sales to external customers	22.3	28.7	*-22.3%*	90.3	115.8	*-22.0%*
Gross profit	**12.0**	**10.3**	***16.5%***	**49.2**	**54.5**	***-9.7%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*54%*	*36%*	*49.9%*	*54%*	*47%*	*15.8%*
Costs of points of purchase and distribution	-9.0	-11.7	*-23.1%*	-37.9	-45.3	*-16.3%*
Administrative expenses	-1.0	-1.9	*-47.4%*	-4.7	-5.8	*-19.0%*
Other income and expenses, and (recognition) / reversal of loss allowances	0.4	2.0	*-80.0%*	-0.6	1.9	*<-100%*
Operating profit (loss)	**2.4**	**-1.3**	***<-100%***	**6.0**	**5.3**	***13.2%***
Depreciation/amortisation	-0.2	-0.1	*100.0%*	-0.7	-1.1	*-36.4%*
SEGMENT PROFIT (EBITDA)	**2.6**	**-1.2**	***<-100%***	**6.7**	**6.4**	***4.7%***

Segment assets:	**31 Jan 2024**	**31 Jan 2023**	**Change [%]**
Inventories	**20.3**	**20.1**	***1.0%***
in stores	0.0	0.0	-
in the central warehouse	20.3	20.1	*1.0%*

Revenue in the DeeZee segment in the reporting period was PLN 90.3 billion, which represents a decrease of PLN 25.5m (-22.0%).

In the reported period, the segment’s margin increased by 7.4pp from the previous year, and operating expenses declined by 12.2%. As a result, the segment’s EBITDA was 4.7% higher year-on-year.

Inventory in the DeeZee segment increased by PLN 0.2 million (+1.0%).

Effect of other income and expenses

How we define the individual components of the result

Other income and expenses include income and expenses from non-core activities, such as gains or losses on disposal of property, plant and equipment, loss allowance on receivables, goodwill impairment, penalties and fines, donations, grants, and foreign exchange gains and losses on operating activities, among others.

Finance income includes interest income on cash in current account and other interest income; foreign exchange gains or losses and other finance income.

Finance costs include interest expense on borrowings; commission fees paid, foreign exchange gains or losses and other finance costs.

Income tax includes accrued tax and deferred tax.

OPERATING INCOME AND EXPENSES

In the reporting period, other income and expenses were PLN 85.7m and PLN 40.1m, respectively. On a net basis, the Group generated PLN 45.6m of other income, compared with PLN 57.4m of other expenses in the previous year. The change was mainly due to the recognition in the reporting period of foreign exchange gains on items other than debt (PLN 21.3m) vs. foreign exchange losses on items other than debt (PLN 60.7m) a year earlier. In addition, operating expenses for the reporting period include a loss allowance on trade receivables of PLN 3.9m (previous reporting period: PLN 44.7m).

OPERATING PROFIT (LOSS)

Operating profit in the reporting period was PLN 183.9m, having increased by PLN 235.2m year on year. The increase resulted chiefly from lower other operating expenses, including lower other expenses, as described above.

FINANCE INCOME AND COSTS

In the reporting period, finance income was PLN 124.1m, an increase of PLN 70.1m year on year. Fnance income includes mainly foreign exchange gains of PLN 43.0m (2023: foreign exchange losses of PLN 43.8m), gain on the modification of a credit facility agreement of PLN 39.3m (2023: PLN 0.0m), and the valuation of options to purchase non-controlling interests (PLN 20.1m; 2023: PLN 33.7m).

In the same period, finance costs were PLN 446.5m, an increase of PLN 44.6m year on year. In the reporting period, finance costs included primarily interest on bank borrowings and bonds of PLN 332.5m (PLN 293.4m in the comparative period) and interest expense on leases (PLN 79.2m compared with PLN 42.4m the year before).

INCOME TAX

In the reporting period, income tax expense totalled PLN 13.5m, including current tax of PLN 44.3m, deferred tax assets of PLN 66.8m, and negative prior year adjustments of PLN 9.0m.

NET PROFIT OR LOSS

After accounting for finance income and costs, allowances for expected credit losses, share in the loss of an associate and income tax expense, net loss from continuing operations in the reporting period was PLN 124.7m, having decreased by PLN 276.8m year on year.

This decrease was largely attributable to higher sales, tight cost discipline across points of purchase and distribution and administrative expenses, and net other income, as described above.

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5.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (MAIN ITEMS)

	31 Jan 2024	31 Jan 2023	Change [%]
	audited	audited	
Non-current assets, including:	**3,740.5**	**3,601.3**	**3.9%**
Total property, plant and equipment	1,445.5	1,441.9	0.2%
Right-of-use assets	1,400.1	1,379.9	1.5%
Deferred tax assets	248.7	184.1	35.1%
Current assets, including:	**3,580.9**	**3,462.8**	**3.4%**
Inventories	2,911.6	2,691.1	8.2%
Cash and cash equivalents	266.5	395.4	-32.6%
Assets classified as held for sale	**24.6**	**0.0**	**-**
TOTAL ASSETS	**7,346.0**	**7,064.1**	**4.0%**
Non-current liabilities, including:	**1,959.3**	**2,741.4**	**-28.5%**
Bank borrowings and bonds	676.6	1,370.5	-50.6%
Lease liabilities	1,213.2	1,266.8	-4.2%
Current liabilities, including:	**4,433.2**	**3,740.0**	**18.5%**
Bank borrowings and bonds	1,418.8	1,155.7	22.8%
Trade and other payables	1,820.2	1,389.5	31.0%
TOTAL LIABILITIES	**6,392.5**	**6,481.4**	**-1.4%**
EQUITY	**953.5**	**582.7**	**63.6%**

Non-current assets

How we define the individual components of the non-current assets

Property, plant and equipment include leasehold improvements (i.e., expenditure on leased premises used in the retail business); property, plant and equipment used in the manufacturing, distribution and other activities.

Deferred tax assets and liabilities are recognised (i) as a result of differences between the carrying amounts of assets and liabilities and their corresponding tax bases and (ii) in respect of unused tax losses.

	PROPERTY, PLANT AND EQUIPMENT		CHANGE [%]	
	31 Jan 2024	31 Jan 2023	PROPERTY, PLANT AND EQUIPMENT	IN RETAIL SPACE
	audited	audited		
Leasehold improvements	**713.1**	**656.7**	**8.6%**	**9.9%**
Distribution	**690.5**	**692.0**	**-0.2%**	
Land, buildings and structures	450.1	423.7	6.2%	
Machinery and equipment	179.9	173.7	3.6%	
Property, plant and equipment under construction	60.5	94.6	-36.0%	
Other	**41.9**	**93.2**	**-55.0%**	
Total	**1,445.5**	**1,441.9**	**0.2%**	

As at the reporting date, non-current assets comprised, among other things, property, plant and equipment (PLN 1,445.5m), intangible assets (PLN 431.5m), goodwill (PLN 199.7m), right-of-use assets (PLN 1,400.1m), and deferred tax assets (PLN 248.7m). Non-current assets rose by 3.9% year on year, to PLN 3,740.5m.

Current assets

How we define the individual components of the current assets

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Inventories are stated at the lower of cost or net realisable value. Cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads. If circumstances arise which result in a decrease in the carrying amount of inventories, inventory write-downs are recognised and charged to cost of sales.

Cash and cash equivalents include cash in hand and bank deposits payable on demand.

As at the reporting date, current assets included inventories (PLN 2,911.6m), cash and cash equivalents (PLN 266.5m), trade receivables (PLN 194.1m), other receivables (PLN 183.0m), and income tax receivables (PLN 25.2m). Current assets rose by 3.4% year on year, to PLN 3,580.9m.

INVENTORIES

INVENTORIES			
	31 Jan 2024	31 Jan 2023	Change [%]
	audited	Audited	
CCC	1,181.8	1,044.8	13.1%
HalfPrice	659.0	328.3	>100%
eobuwie	810.7	962.2	-15.7%
Modivo	239.8	335.7	-28.6%
DeeZee	20.3	20.1	1.0%
Total	**2,911.6**	**2,691.1**	**8.2%**

The Group's inventory increased by PLN 220.5m (+8.2%), with the following contributions from the segment:

- an increase in the CCC segment's inventory (PLN +137.0m; +13.1%) aligned with the sales plan;
- an increase in the HalfPrice segment’s inventory (PLN +330.7m; +>100%) due to the expansion of the chain, with the broadening of the product offering in this segment being a key factor directly driving LfL sales;
- a decrease in inventory in the eobuwie and Modivo segments (totalling PLN -247.7m; -19.1%) following the effective implementation of the working capital optimisation programme, which also significantly improved the age structure of inventory and led to a higher share of current collections.

CASH AND CASH EQUIVALENTS

As at the reporting date, cash and cash equivalents amounted to PLN 266.5m, down by PLN 128.9m (-32.6%) from the comparative period. As at the reporting date, nearly 100% of cash was held in hand or in bank accounts.

Equity and financing liabilities

<u>How we define the individual components of equity and financing liabilities</u>

Equity is recorded in the accounts with a breakdown into the following categories: share capital,

share premium, retained earnings and other components of equity.

Financing liabilities consist mainly of bank borrowings and issued bonds.

Trade payables are classified as current liabilities if they fall due within one year. Otherwise, liabilities are disclosed as non-current. Trade liabilities are measured at amounts due.

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As at the reporting date, equity increased by PLN 370.8m (63.6%) following the issue of Company shares, partly offset by a PLN 124.7m net loss for 2023.

As at the reporting date, non-current liabilities stood at PLN 1,959.3m, down by PLN 782.1m (-28.5%) year on year and comprised mainly liabilities under long-term bank borrowings and bonds (PLN 676.6m) and lease liabilities (PLN 1,213.2m).

As at the reporting date, current liabilities amounted to PLN 4,433.2m, having risen by PLN 693.2m (18.5%) relative to the comparative period. As at the reporting date, the total amount of current liabilities comprised mainly trade and other payables (PLN 1,820.2m), liabilities under bank borrowings and bonds (PLN 1,418.8m), lease liabilities (PLN 519.0m), other liabilities (PLN 462.7m), and liabilities arising from the obligation to purchase non-controlling interests (PLN 192.6m).

5.3 CONSOLIDATED STATEMENT OF CASH FLOWS (MAIN ITEMS)

	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		audited	audited	
Profit (loss) before tax from continuing operations	**18.7**	**-122.1**	**<-100%**	**-138.2**	**-398.9**	**-65.4%**
Adjustments	208.5	270.0	-22.8%	870.9	985.1	-11.6%
Income tax paid	-2.2	-11.2	-80.4%	-22.1	-81.5	-72.9%
Cash flow before changes in working capital	**225.0**	**136.7**	**64.6%**	**710.6**	**466.5**	**52.3%**
Changes in working capital	-225.2	134.9	<-100%	110.3	74.2	48.7%
Cash flows from operating activities	**-0.2**	**271.6**	**<-100%**	**820.9**	**540.7**	**51.8%**
Cash flows from investing activities	**-77.7**	**-152.6**	**-49.1%**	**-315.6**	**-448.9**	**-29.7%**
Cash flows from financing activities, including:	**-225.9**	**-199.2**	**13.4%**	**-634.2**	**-637.5**	**-0.5%**
Repayment of borrowings	-59.1	-80.6	-26.7%	-600.1	-144.9	>100%
Lease payments	-105.6	-86.5	22.1%	-397.6	-410.6	-3.2%
Interest paid	-82.8	-70.6	17.3%	-280.6	-198.1	41.6%
Net proceeds from share issue	0.0	0.0	-	501.6	0.0	-
TOTAL CASH FLOWS	**-303.8**	**-80.2**	**>100%**	**-128.9**	**-545.7**	**-76.4%**
Cash and cash equivalents at end of period	**266.5**	**395.4**	**-32.6%**	**266.5**	**395.4**	**-32.6%**

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5.4 INDICATORS

Profitability ratios	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]	change [% qoq]
Gross margin	46.5%	46.8%	-0.2%	-0.2%
Operating profit/(loss) margin	1.9%	-0.6%	2.5%	0.7%
Net profit/(loss) margin	-1.3%	-4.9%	3.5%	0.9%

Gross margin is calculated as the ratio of gross profit to revenue.
Operating profit/(loss) margin is calculated as the ratio of operating profit/(loss) to revenue.
Net profit/(loss) margin is calculated as the ratio of net profit/(loss) to revenue.

Liquidity ratios	31 Jan 2024	31 Jan 2023	change	change [qoq]
Current ratio	0.8	0.9	-0.1	0.0
Quick ratio	0.2	0.2	-0.1	-0.1
Inventory cycle (days)	210.6	215.9	-5.3	-1.1
Average collection period (days)	6.4	7.6	-1.2	0.4
Average payment period (days)	139.4	117.7	21.7	4.6

The **current ratio** is calculated as the ratio of current assets to the carrying amount of current liabilities.
The **quick ratio** is calculated as the ratio of current assets less inventory to the carrying amount of current liabilities.
The **inventory cycle** in days is calculated as the ratio of the average inventory value for the last four quarters to cost of sales, multiplied by the number of days in the period.
The **average collection period** in days is calculated as the ratio of the average amount of receivables from customers for the last four quarters to revenue, multiplied by the number of days in the period.
The **average payment period** in days is calculated as the ratio of the average amount of trade and other payables for the last four quarters to cost of sales, multiplied by the number of days in the period.

Operating efficiency ratios	31 Jan 2024	31 Jan 2023	Change [%]	change [% qoq]
Equity to non-current assets ratio	25.5%	16.2%	9.3%	7.5%
Debt ratio	28.5%	35.8%	-7.2%	-2.3%
Short-term debt ratio	19.3%	16.4%	3.0%	4.8%
Long-term debt ratio	9.2%	19.4%	-10.2%	-7.1%

Equity to non-current assets ratio is calculated by dividing equity by non-current assets.
Debt ratio is calculated by dividing debt under long-term and short-term borrowings and bonds by total assets.
Short-term debt ratio is calculated by dividing short-term debt under borrowings and bonds by total assets.
Long-term debt ratio is calculated by dividing long-term debt under borrowings and bonds by total assets.

5.5 PROFIT GUIDANCE

No profit guidance has been published.

6. MANAGEMENT OF FINANCIAL RESOURCES AND LIQUIDITY

6.1 DEBT AND LIQUIDITY OF THE CCC GROUP

The CCC Group finances its operations using equity and external capital, including bank and non-bank borrowings as well as bonds.

Bank borrowings and bonds

As at the reporting date, the Group had financing liabilities of PLN 2,095.4m, consisting of bank borrowings, bonds and financial assistance.

The current portion of financing liabilities as at the reporting date comprised debt under bank borrowings and bonds of PLN 1,418.8m.

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BANK	COMPANY	INSTRUMENT	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	UTILISATION [MILLION]*	CURRENCY
Syndicated agreement							
PKO BP	CCC.eu Sp. z o.o.	Long-term credit facility	2 Jun 2021	30 Jun 2025	69.5	69.5	PLN
		including current portion			34.8	34.8	PLN
Santander Bank	CCC.eu Sp. z o.o.	Long-term credit facility	2 Jun 2021	30 Jun 2025	53.9	53.9	PLN
		including current portion			27.0	27.0	PLN
Pekao S.A.	CCC.eu Sp. z o.o.	Long-term credit facility	2 Jun 2021	30 Jun 2025	43.1	43.1	PLN
		including current portion			21.6	21.6	PLN
Citibank	CCC.eu Sp. z o.o.	Long-term credit facility	2 Jun 2021	30 Jun 2025	39.9	39.9	PLN
		including current portion			20.0	20.0	PLN
mBank	CCC.eu Sp. z o.o.	Long-term credit facility	2 Jun 2021	30 Jun 2025	28.9	28.9	PLN
		including current portion			14.6	14.6	PLN
BNP Paribas	CCC.eu Sp. z o.o.	Long-term credit facility	2 Jun 2021	30 Jun 2025	22.6	22.6	PLN
		including current portion			11.2	11.2	PLN
Bank Millennium	CCC.eu Sp. z o.o.	Long-term credit facility	2 Jun 2021	30 Jun 2025	21.4	21.4	PLN
		including current portion			10.7	10.7	PLN
PKO BP	CCC.eu Sp. z o.o.	Short-term credit facility	21 Nov 2019	30 Jun 2024	50.0	0.0	PLN
Pekao S.A.	CCC.eu Sp. z o.o.	Short-term credit facility	15 Oct 2014	30 Jun 2024	59.9	0.0	PLN
mBank	CCC.eu Sp. z o.o.	Short-term credit facility	17 Dec 2018	30 Jun 2024	10.3	0.0	PLN
mBank	CCC.eu Sp. z o.o.	Short-term credit facility	2 Jun 2021	30 Jun 2024	2.6	0.0	PLN
Citibank	CCC.eu Sp. z o.o.	Short-term credit facility	3 Mar 2009	30 Jun 2024	3.0	0.0	PLN
Citibank	CCC.eu Sp. z o.o.	Short-term credit facility	3 Mar 2009	30 Jun 2024	70.1	0.0	PLN
BNP Paribas	CCC.eu Sp. z o.o.	Short-term credit facility	2 Jun 2021	30 Jun 2024	12.7	0.0	PLN
Citibank	CCC.eu Sp. z o.o.	Short-term credit facility	20 Dec 2022	20 Dec 2024	38.9	0.0	PLN
Agreements secured with BGK guarantees							
mBank	CCC.eu Sp. z o.o.	Short-term credit facility	14 Jun 2021	12 Dec 2024	24.2	0.0	PLN
Pekao S.A.	CCC.eu Sp. z o.o.	Short-term credit facility	31 Mar2021	20 Dec 2024	48.4	0.0	PLN
mBank	CCC.eu Sp. z o.o.	Short-term credit facility	14 Jun 2021	12 Dec 2024	1.0	0.0	PLN
BNP Paribas	CCC.eu Sp. z o.o.	Short-term credit facility	31 Mar2021	20 Dec 2024	11.8	0.0	PLN
Pekao S.A.	CCC.eu Sp. z o.o.	Short-term credit facility	31 Mar2021	20 Dec 2024	2.1	0.0	PLN
Santander Bank	CCC.eu Sp. z o.o.	Short-term credit facility	20 Dec 2022	20 Dec 2023	4.3	0.0	PLN
Pekao S.A.	CCC S.A.	Short-term credit facility	5 Nov 2020	27 Oct 2024	41.0	41.0	PLN

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PKO BP	CCC S.A.	Short-term credit facility	5 Nov 2020	27 Oct 2024	60.0	60.0	PLN
Citibank	CCC S.A.	Short-term credit facility	5 Nov 2020	27 Oct 2024	31.0	31.0	PLN
BNP Paribas	CCC S.A.	Short-term credit facility	5 Nov 2020	27 Oct 2024	13.0	13.0	PLN
Santander	CCC S.A.	Short-term credit facility	5 Nov 2020	27 Oct 2024	50.0	50.0	PLN
Bank Millennium	CCC S.A.	Short-term credit facility	5 Nov 2020	27 Oct 2024	16.0	16.0	PLN
mBank	CCC S.A.	Short-term credit facility	5 Nov 2020	27 Oct 2024	39.0	39.0	PLN
Other credit facilities							
Pekao S.A.	Modivo S.A.	Short-term credit facility	26 Oct 2017	29 Apr 2024	185.5	133.7	PLN
PKO BP	Modivo S.A.	Long-term credit facility	2 Jun 2021	21 Nov 2025	166.3	151.9	PLN
Ceska sporitelna	CCC Czech	Short-term credit facility	18 Apr 2013	30 Jun 2024	17.1	0.0	CZK
Ceska sporitelna	CCC Slovakia	Short-term credit facility	18 Apr 2013	30 Jun 2024	32.0	0.0	CZK
Total short-term credit facility agreements, PLN					**914.7**	**523.6**	**PLN**
Total long-term credit facility agreements, PLN					**305.7**	**291.3**	**PLN**
Total short-term credit facility agreements, CZK					**49.1**	**0.0**	**CZK**

* The data presented in the table relates to amounts utilised in cash, not consistent with the carrying amount of the liability as a result of its measurement at amortised cost and the recognition of embedded derivative financial instruments.

BANK	COMPANY	TYPE	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	UTILISATION [MILLION]*	CURRENCY
Bonds							
Series 1/2018 bonds	CCC S.A.	Bonds	29 Jun 2018	20 Jun 2026	189.4	189.4	PLN
Softbank	Modivo S.A.	Bonds	1 Sep 2021	5 Apr 2026**	739.3	739.3	PLN
PFR FI FIZAN	CCC Shoes&Bags Sp. z o.o.	Bonds	22 Sep 2021	22 Sep 2028	362.8	362.8	PLN
Total Bonds					**1,291.5**	**1,291.5**	**PLN**

* The data presented in the table relates to amounts utilised in cash, not consistent with the carrying amount of the liability as a result of its measurement at amortised cost and the recognition of embedded derivative financial instruments, save for the bonds issued to Softbank.

** Pursuant to the agreement of 24 November 2023, the maturity of the bonds was extended from 23 August 2024 to 5 April 2026.

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BANK	COMPANY	INSTRUMENT	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	UTILISATION [MILLION]	CURRENCY
Guarantee facility							
PKO BP	CCC S.A.	Bank guarantee facility	21 Nov 2019	30 Jun 2024	54.2	38.3	PLN
mBank	CCC S.A.	Bank guarantee facility	14 Nov 2012	30 Jun 2024	21.0	13.7	PLN
Santander	CCC S.A.	Bank guarantee facility	31 Mar 2009	30 Jun 2024	41.0	28.2	PLN
BNP Paribas	CCC S.A.	Bank guarantee facility	4 May 2011	30 Jun 2024	17.0	13.0	PLN
Pekao S.A.	Modivo S.A.	Bank guarantee facility	26 Oct 2017	29 Apr 2024	74.5	74.5	PLN
PKO BP	Modivo S.A.	Bank guarantee facility	2 Jun 2021	21 Nov 2025	13.7	13.7	PLN
Ceska sporitelna	CCC Czech	Bank guarantee facility	18 Apr 2013	30 Jun 2024	82.9	82.9	CZK
Ceska sporitelna	CCC Slovakia	Bank guarantee facility	18 Apr 2013	30 Jun 2024	26.7	26.7	CZK
Raiffeisen	CCC Hungary	Bank guarantee facility	25 Jun 2014	30 Nov 2024	2.0	1.4	EUR
Kredobank	CCC Ukraine	Bank guarantee facility	30 May 2014	30 May 2024	0.1	0.1	UAH
Total guarantee facility, PLN					**221.4**	**181.4**	**PLN**
Total guarantee facility, CZK					**109.6**	**109.6**	**CZK**
Total guarantee facility, EUR					**2.0**	**1.4**	**EUR**
Total guarantee facility, UAH					**0.1**	**0.1**	**UAH**

Information on CCC S.A. bonds

In June 2014, the Company carried out the first issue of CCC S.A. Series 1/2014 Bonds, under the Bond Issuance Programme up to PLN 500.0m. The bonds denominated in the Polish złoty were issued as coupon bearer securities in book-entry form. mBank S.A. was appointed as the issue agent.

In June 2018, the Company carried out the second issue of CCC S.A. Series 1/2018 Bonds, combined with early redemption of Series 1/2014 Bonds. Both series were issued with the following terms:

1. Nominal value: PLN 1,000.00 per bond;
2. Issue price: equal to the nominal value;
3. Number of bonds: 210,000 in Series 1/2014 and 210,000 in Series 1/2018;
4. Total nominal value of the bonds – PLN 210m in Series 1/2014 and PLN 210m in Series 1/2018;
5. Redemption: one-off, at nominal value on 10 June 2019 for Series 1/2014 and on 29 June 2021 for Series 1/2018;
6. Interest rate of coupon bonds: variable, 6M WIBOR plus fixed margin, payable on a six-monthly basis;
7. Listing in the alternative trading system on Catalyst – Series 1/2014 bonds as of 16 October 2014.
8. Series 1/2014 bonds were registered with the Central Securities Depository of Poland on 20 July 2018.

Following the issue of 210000 Series 1/2018 Bonds and the redemption of 210000 Series 1/2014 Bonds, 210000 Series 1/2018 Bonds are outstanding.

Under Resolution No. 4 of 17 May 2021 passed by the Bondholders' Meeting of the holders of Series 1/2018 Bonds, issued on 29 June 2018 pursuant to the Terms and Conditions of the Bonds of 21 June 2018, the terms and conditions of the Bonds were amended, in particular the Bonds redemption date was changed from 29 June 2021 to 29 June 2026.

On 20 June 2022, the Bondholders Meeting resolved to amend the 'Terms and Conditions of the Bonds recorded in the Bond Register with the possibility of transfer to the CSDP depository, prepared in Polkowice on 21 June 2018' (the "Terms and Conditions"), concerning the issue of Series 1/2018 Bonds (the "Bonds").

The Terms and Conditions were amended by:

- adding Obuv Sp. z o.o. to the list of Excluded Companies,
- changing Section 14.2(o) of the Terms and Conditions.

On 24 October 2022, the Bondholders Meeting resolved to amend the 'Terms and Conditions of the Bonds recorded in the Bond Register with the possibility of transfer to the CSDP depository, prepared in Polkowice on 21 June 2018', concerning the issue of Series 1/2018 Bonds.

The Terms and Conditions were amended by:

- changing the rules of testing the Financial Ratios specified in the Terms and Conditions;
- adding new disclosure obligations towards Bondholders and the security administrator;
- granting Bondholders the right to early pro rata redemption of their Bonds in the event of a reduction in credit limits ("Pari Passu Redemption").

The amendments to the Terms and Conditions concerning the Financial Ratios changed the rules of their testing to reflect the amendments made to the credit facility agreement of 2 June 2021 and the Common Terms Agreement of 5 November 2020.

The Bonds are listed in the Alternative Trading System organised by BondSpot S.A.

In 2023, the Company effected the following Bond redemptions:

- On 17 April 2023, the Company redeemed 337 Bonds, following which it had 209,663 outstanding Series 1/2018 Bonds.
- On 10 August 2023, the Company redeemed 8,898 Bonds, following which it had 200,765 outstanding Series 1/2018 Bonds.
- On 25 October 2023, the Company redeemed 11,414 Bonds, following which it had 189,351 outstanding Series 1/2018 Bonds.

On 21 March 2024, subsequent to the reporting date, Pari Passu Redemption of 20,565 Bonds took place.

Information on CCC Shoes & Bags Sp. z o.o. bonds

On 9 September 2021, CCC Shoes & Bags Sp. z o.o. ("CCC S&B") entered into an issue agreement with PFR Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych (formerly: PFR Inwestycje Fundusz Inwestycyjny Zamknięty) (the "Fund") for the issue of up to 360 ordinary registered Series A bonds with a total nominal value of PLN 360,000,000.00 (three hundred and sixty million złoty), to be subscribed for by the Fund.

On 22 September 2021, CCC S&B carried out the issue of 360 Series A bonds with a nominal value of PLN 1,000,000.00 per bond and a total nominal value of PLN 360,000,000.00. All the bonds were subscribed for by the Fund at an issue price equal to their nominal value. The bonds bear interest at a variable rate comprising:

(i) semi-annual interest accruing at a fixed rate, to be increased on the terms specified in the bond issue documents;

(ii) deferred interest accruing at a rate equal to the sum of the reference rate of 3M WIBOR plus a margin.

Notwithstanding the foregoing, on redemption of the bonds by CCC S&B, the Fund will be entitled to an additional payment based on appreciation of Modivo shares.

The investor's claims under the bonds and bond issue documents are secured by:

(i) a surety provided by CCC S.A.,

(ii) ordinary and registered pledges over a total of 1,440,000 Modivo shares,

(iii) ordinary pledges and a registered pledge over receivables under an agreement for the operation of CCC S&B's bank account into which Modivo S.A. is to pay a portion of dividends attributable to the shares pledged as security for claims under the bonds and other bonds issue documents (to be mandatorily applied towards payment or prepayment of interest on the bonds),

(iv) subordination of selected components of CCC S&B's financial debt towards CCC.eu sp. z o.o. (including debt under an unsecured loan granted to CCC S&B by that entity); and

(v) declarations on voluntary submission to enforcement provided by CCC S&B (as the bond issuer) and CCC S.A. (as the surety provider).

The Fund will have the right to demand early redemption of the bonds in situations described in the terms and conditions of the bonds. CCC S&B will have the right to redeem the bonds early subject to payment of the relevant fee specified in the terms and conditions of the bonds. If no early redemption occurs, the bonds will be redeemed on 22 September 2028. The bonds were issued pursuant to Art. 33.2 of the Bonds Act of 15 January 2015. The bonds will not be introduced to trading on a regulated market.

Information on Modivo S.A. bonds

On 5 October 2021, the company issued unsecured bonds convertible into shares with a total value of PLN 500,000,000.0. The bonds were issued to SVF II Motion Subco (DE) LLC, an affiliate of SoftBank Vision Fund 2. Unless first converted into shares or redeemed earlier, the bonds were to be originally redeemed on 23 August 2024. However, on 24 November 2023, an agreement was signed to extend the maturity of the Softbank bonds until 5 April 2026.

Interest on the bonds accrues on a quarterly basis, at a fixed rate of 6.99% per annum, and is payable on the redemption or conversion date. Under the aforementioned agreement, in the period from 5 October 2024 to 5 April 2026 interest on the bonds will accrue at an increased rate of 10.99% per annum. Under the terms and conditions of the bonds, the bonds will be automatically converted into Modivo S.A. shares in the event of Modivo S.A.'s initial public offering or any similar transaction specified in the terms and conditions of the bonds (mandatory conversion) at the market price subject to a specific discount as per the terms and conditions of the bonds.

An embedded derivative instrument was identified in the bond instrument. At any time during the term of the issue agreement, the voluntary conversion option gives the bondholder the right to convert the value of the bonds acquired, together with interest accrued until the conversion date, generally at a price of PLN 600.0. If, in the event of an initial public offering, the bondholder chooses to exercise the voluntary conversion option, that option will replace the mandatory conversion. For this reason, the conversion factor varies (i.e., takes one value in the event of an IPO and another in the other situations), and the voluntary conversion option is an embedded derivative instrument, which is initially measured at fair value and separated (bifurcated) from the host contract, and then subsequently measured at fair value through profit or loss on the basis of gains/losses as at each subsequent reporting date. In the case of conversion of liabilities under the bonds into shares, derecognition of liabilities under the bonds will be a non-cash item, as Modivo S.A. shares will be delivered. Thus, the interest expense related to the separation and settlement of embedded financial instruments will also be a non-cash item.

The Group assessed whether the amendments to the issuance agreement constituted a material change of the agreement's terms, potentially resulting in the extinguishment of the existing liability and the recognition of a new one. For this purpose, quantitative changes were evaluated. The change in the present value of the cash flows based on the new terms and discounted using the original effective interest rate did not vary by more than 10% from the discounted present value of the remaining cash flows of the original financial liability. The amendment was also assessed from a qualitative perspective. The Group concluded that it was not material because it does not fundamentally introduce new contractual terms but merely updates the existing ones, in addition to extending the maturity of the liability, as discussed above.

Under the agreement, the SoftBank Group entity also agreed to waive the testing of the Net Financial Debt/EBITDA ratio as at 31 January 2024 (a covenant), provided that Modivo submits an application to the National Court Register, reflecting the amendments related to the convertible bonds approved by the General Meeting. Interest on the bonds will accrue on a quarterly basis, at a fixed rate, payable on the redemption or conversion date. The bonds will automatically convert into Modivo shares in the event of Modivo S.A.'s initial public offering or any similar transaction outlined in the bonds' terms and conditions (mandatory conversion) at the market price, adjusted for a premium.

Liability under the bonds measured as at 31 January 2024 amounted to PLN 739.3m and was disclosed in the statement of financial position as part of current liabilities under bonds (as at 31 January 2023, liability under the bonds amounted to PLN 629.8m and was disclosed as part of non-current liabilities under bonds). The value of the derivative instrument measured as at 31 January 2022 amounted to PLN 12.2m and was disclosed in the statement of financial position under other current liabilities (as at 31 January 2023, the value of the derivative instrument amounted to PLN 15.8m and was disclosed under other non-current liabilities).

6.2 COVENANTS/FINANCIAL RATIOS

The CCC Group

Financing in the CCC Group is provided at the level of two business units, which are separately responsible for their liabilities:

- The **CCC Business Unit** (the CCC Group excluding the Modivo Business Unit); and
- The **Modivo Business Unit** (Modivo S.A. and all its subsidiaries).

In line with the rules set forth in the Credit Facility Agreement dated 2 June 2021 and the Terms and Conditions of 1/2018 Bonds, the financial ratios of the CCC Business Unit are measured based on the Financial Information prepared following deconsolidation of the Modivo Business Unit from the Group's results. Financial ratios for the Modivo Business Unit are subject to separate regulations, in accordance with the definitions set forth in the credit facility agreements made with individual banks.

In order to prepare the CCC Business Unit's results, the Group's consolidated data undergoes agreed procedures designed to separate the financial results of the CCC Business Unit from those of the Modivo Business Unit (deconsolidation of the MODIVO Business Unit from the Group's results). The results of the Modivo Business Unit are deconsolidated taking into account the following adjustments or eliminations:

(a) recognition of Modivo S.A. shares at historical amount (PLN 2,699,640,000.00 with respect to the equity interest held by CCC)

(b) recognition of balances and turnovers of the CCC Business Unit entities vis-à-vis the Modivo Business Unit entities.

The explanation of financial ratio calculations presented below is a simplified overview of the provisions of the credit facility agreements and the terms and conditions of the bonds (the Terms and Conditions). The purpose of the explanation is to present information on the methodology applied in the financing agreements to calculate the Group's financial ratios.

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		The CCC Group		
		Modivo Business Unit		**CCC Business Unit**
Financial debt (PLNm), as at 31 Jan 2024 (based on the Business Unit's balance sheet)	Debt	**PLN 1,025.0m, including:** • PLN 739.3m convertible bonds issued to Softbank • PLN 285.7m bank loans	SEPARATE FINANCING	**PLN 1,070.4m, including:** • PLN 529.9m bank loans • PLN 191.1m Series 1/2018 bonds • PLN 345.3m PFR bonds (including deferred interest)* • PLN 4.1m adjusted purchase price
	Cash	**PLN 111.7m**		**PLN 154.8m**
	Net debt	**PLN 913.3m**		**PLN 915.6m**
Debt ratio according to financing agreements (PLNm), as at 31 Jan 2024	Gross Financial Debt**	**PLN 1,259.0m, including:** • PLN 739.3m convertible bonds issued to Softbank • PLN 285.7m bank loans • PLN 234.0m reverse factoring		**PLN 720.5m, including:** • PLN 529.9m bank loans • PLN 191.1m Series 1/2018 bonds • PLN -0.5m marking of derivative transactions to market
	Net Financial Debt**	• **PLN 1,147.3m** includes Softbank bonds		**PLN 565.7m**
	Net exposure**	• **Not applicable**		**PLN 916.5m, including:** • PLN 565.7m Net Financial Debt • PLN 118.7m bank guarantee facilities • PLN 232.1m reverse factoring***
Financial ratios (banks and bondholders)	Ratios	**Ratio review at the Modivo Business Unit level:** **As at 31 January 2024 (ratio testing suspended):** $\frac{Gross\ Financial\ Debt/Cash}{\text{EBITDA (excluding IFRS 16)}}$<3.5x		**Ratio review at the CCC Business Unit level:** **As at 31 January 2024** $a)\ \frac{Net\ exposure}{\text{EBITDA (excluding IFRS 16)}}$<3.5x b) $DSCR$ >1.2x c) $Capital\ expenditure$ < PLN 162m plus any Unutilised Capital Expenditure brought forward
	Definitions according to financing agreements **(there may be differences in definitions relative to the ratios reported in the Financial Statements)**	**Net Financial Debt** is defined as the sum of interest-bearing debt under bank and non-bank borrowings, debt securities, and reverse factoring arrangements and debt under leases (excluding amounts resulting from the implementation of IFRS 16), less cash. **EBITDA** of the Modivo Business Unit, i.e., operating profit plus depreciation and amortisation (excluding amounts resulting from the implementation of IFRS 16) plus costs related to the incentive scheme in addition, BP PKO S.A.'s definition includes the following provision: "decreased by any gain or increased by any loss on disposal of non-financial non-current assets".		**Financial Debt** – interest-bearing debt (excluding reverse factoring) – see more in the 'Financial Ratios' section **Net Financial Debt** – Financial Debt less cash **Net Exposure** – Net Financial Debt plus reverse factoring and guarantees **EBITDA** of the CCC Business Unit, i.e., operating profit from continuing operations plus depreciation and amortisation; including numerous non-cash adjustments (excluding amounts resulting from the implementation of IFRS 16)

* The amount does not include an embedded derivative presented in the balance sheet as other financial liabilities (PLN 6.6m).

** Definitions according to the financing agreements, as described in the last part of this table.

*** Presented in the statement of financial position as a trade payable.

The ratios as at the reporting date are to be reviewed on the dates agreed in the financing agreements, after the issue of these financial statements.

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CCC Business Unit's ratios reviewed as at the reporting date

In the Management Board's opinion as at 31 January 2024, none of the financial ratios were breached during the reporting period and until the date of authorisation of this Report for issue.

Under the refinancing agreements of 2 June 2021 and the ordinary bonds issue agreement (ISIN:PLCCC0000081) of 17 May 2021, as amended, the CCC Business Unit is obliged, among others, to test the ratios listed below at 31 January 2024:

- **a) Net Exposure/EBITDA for the CCC Business Unit** not higher than 3.5x.
- **b) DSCR for the CCC Business Unit** not lower than 1.2x;
- **c) Capital expenditure of the CCC Business Unit** not higher than PLN 162.0m, plus any Unutilised Capital Expenditure brought forward

Financial ratios reviewed at the CCC Business Unit after the reporting date

Applicable financial ratios

In accordance with the financing agreements, formal confirmation of the fulfilment of the financing terms is to be made within specified time limits after the date of issue of the Group's consolidated financial statements.

(a) Net Exposure/EBITDA of the CCC Business Unit

Net Exposure/EBITDA calculated for the CCC Business Unit for the first time as at 31 January 2023 not higher than 12.7x. In subsequent periods, the ratio should not exceed the following levels for a given calculation period:

Calculation Period	Net Exposure/EBITDA
30 April 2024	3.8x
31 July 2024	3.5x
31 October 2024	3.0x
next Quarter End Date	as above

Gross Financial Debt means the total amount of liabilities of the CCC Business Unit entities (the Group excluding the Modivo Business Unit) under the following: loans, credit facilities, bond is issue, promissory notes, finance leases (excluding leases recognised in accordance with IFRS 16, which would have been classified as operating leases under IAS 17), factoring (excluding reverse factoring/confirming), marking of derivative transactions to market, other debt recognised in the accounts as financial debt under IAS. Gross Financial Debt does not include PFR bond financing.

Net Financial Debt means Gross Financial Debt less cash and cash equivalents.

Net Financial Exposure means net Financial Debt under reverse factoring and confirming, as well as letters of credit and guarantees.

(b) DSCR of the CCC Business Unit

DSCR for the CCC Business Unit in subsequent six-month periods ending on 31 January and 31 July – not lower than 1.2x.

DSCR – the ratio of Cash Flows Available for Debt Service (EBITDA adjusted for numerous items, including decreased by income tax, increased by write-offs of accounts receivable and inventory, decreased by Capital Expenditure (excluding the portion financed by Permitted Financial Debt explicitly allocated for this purpose) to Debt Service

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(c) Capital expenditure of the CCC Business Unit

Calculation Period	EBITDA for the CCC Business Unit*
31 January 2025	PLN 163m

* The cap may be increased by the amount of any Unutilised Capital Expenditure brought forward.

Capital Expenditure calculated as the sum of (i) expenditure to acquire property, plant and equipment, intangible assets and other non-current assets, (ii) expenditure to acquire equity or debt instruments of another entity and interests in joint ventures, (iii) the value of assets acquired under finance leases (iv) less fit-out costs (maximum fit-out costs as of 31 January 2024: PLN 17m) (v) less investment subsidies received in the form of non-repayable public grants or subsidies for the purchase of assets (vi) less the amount paid under the packages defined in the bank agreement as Permitted Purchase

Modivo Business Unit's ratios reviewed as at the reporting date

The Modivo Business Unit includes Modivo S.A. along with all of its subsidiaries.

a) **Net Financial Debt** not higher than PLN 548.0m.

For the Modivo Business Unit, the financial ratio subject to testing is the Net Financial Debt as at 31 January 2024, which replaced the net financial debt/EBITDA ratio as at 31 January 2024 as a result of consent from the finance providers (PKO BP S.A. and Bank Polska Kasa Opieki S.A. as well as Pekao Faktoring Sp. z o.o.) obtained on 9 October 2023 that the conditions for covenant testing as at 31 July 2023 may be maintained as at 31 January 2024.

a) Net Financial Debt/EBITDA not higher than 3.5.

PKO BP S.A. permits a return to the original contractual obligations as they were prior to the execution of the Amendment, provided that the Net Financial Debt/EBITDA ratio does not exceed 3.5 for two consecutive testing periods. In the case of bonds issued to Softbank Vision Fund II Motion Subco (DE) LLC, the Net Financial Debt/EBITDA ratio was set at a level not higher than 5.0, to be tested every six months, as at two consecutive testing dates.

In the Management Board's opinion, as at the first testing date (31 January 2023) the ratio exceeded the agreed limit. Following the banks' approval, Modivo S.A. secured conditional consent from the bondholder Softbank to waive the right to demand early redemption in the event of covenant breach as at the second testing date of 31 July 2023, with the waiver effective upon execution of the credit documentation extending the availability period of the PLN 260.0m credit facility, as per the binding offer received from Bank Polska Kasa Opieki S.A. on 13 April 2023.

With Softbank's consent, a ratio exceeding the limit prescribed for 31 January 2023 and 31 July 2023 (two consecutive testing dates) was not considered an event of default under that or any other financing agreement of the Modivo Business Unit or any other Business Units. In addition, as already mentioned above, on 24 November 2023 an agreement was signed to the agreement for the issue of bonds to Softbank. Consequently, following the extension of the maturity of the bonds until 5 April 2026 under that agreement, the applicable ratios will also be tested for subsequent half-yearly periods.

On 21 November 2023, Modivo S.A. signed an amendment to the agreement with PKO BP S.A., which extended the term of the multi-purpose credit facility limit until 21 November 2025 and modified the security interests. The extended credit limit will finance Modivo S.A.'s current operations, and will consist of: a PLN overdraft sublimit of up to PLN 180.0m and a sublimit for guarantees and letters of credit in PLN, EUR, and USD, up to PLN 50.0m in total.

Moreover, the said agreement of 24 November 2023 waived the mandatory testing as at 31 January 2024 of the Net Financial Debt/EBITDA ratio, which had been capped at 5.0.

In light of the information presented above, the Management Board is of the opinion that none of the financial ratios were breached during the reporting period or in the period from 31 January 2024 until the date of authorisation of this Report for issue.

Modivo Business Unit's ratios reviewed after the reporting date

In accordance with the amendment signed on 21 November 2023 between Modivo S.A. and PKO BP, the Modivo Business Unit is required to test compliance of the following financial ratios subsequent to the reporting date:

a) **Net Financial Debt/EBITDA** not higher than 3.5.

This ratio is calculated every six months but will not be reviewed until 31 January 2025, as the relevant subsidiary of Modivo S.A. secured prior waivers from the testing of the Net Financial Debt/EBITDA ratio as at 31 July 2024 from PEKAO S.A. (on 26 March 2024), PKO BP (on 27 March 2024), PEKAO Faktoring Sp. z o.o. (on 27 March 2024), and a member of the Softbank Group as a bondholder (on 2 April 2024).

b) **DSCR** of >= 1.2

This ratio is tested on a quarterly basis, with the first testing date falling on 31 October 2024 as per the credit facility amendment executed with PKO BP on 27 March 2024 (extending the original testing date from 31 July 2024).

c) **EBITDA** of PLN 98,000,000

The metric will undergo a one-off compliance test as at 30 April 2024, with the proviso that the Bank will accept a negative variance of no more than 15%. Pursuant to the credit facility amendment executed with PKO BP on 27 March 2024, the Bank waived the testing of this metric.

d) **Net Financial Debt** not higher than PLN 548.0m.

For the Modivo Business Unit, Net Financial Debt will be tested as at 31 July 2024 in accordance with the creditors' waivers as referred to in item (a) above, whereby the conditions for testing the financial ratios effective as at 31 July 2023 were maintained.

6.3 FINANCIAL INSTRUMENTS

As at the reporting date, the Company used forward instruments to hedge against currency risk arising from an open exposure denominated in USD, as well as derivative financial instruments embedded in bonds issued to PFR – Equity Kicker and in bonds convertible into Modivo shares (voluntary conversion option). For a detailed description of the financial instruments used, see Note 6.1 to the consolidated financial statements.

6.4 ISSUE OF SECURITIES AND USE OF PROCEEDS

CCC S.A. carried out a share issue with a value of PLN 505.5m. The bookbuilding process took place between 17 April and 19 April 2023, while the execution of agreements to subscribe for Series L Shares and Series M Shares was completed on 27 April 2023. As part of the Offering, 5,878,535 Series L Shares and 8,121,465 Series M Shares were subscribed for, the former by Ultro S.à r.l. and the latter by 100 investors. The New Shares were subscribed for at an issue price of PLN 36.11 per share. The Offering costs incurred by the Company totalled PLN 3.9m and included:

- the costs of preparing and carrying out the Offering: PLN 4.1m, less interest accrued on payments received from shareholders;
- underwriting fees: not applicable;
- drawing up the prospectus, including costs of advisory services: not applicable;
- advertising the Offering: not applicable;
- other: PLN 0.1m.

Costs incurred on the issue of New Shares were charged against statutory reserve funds.

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6.5 FEASIBILITY OF INVESTMENT PLANS

The Group intends to finance investment projects with its own funds and with external capital. Subject to the limitations set out in the refinancing agreement, the Management Board believes that there are currently no major threats which could adversely affect delivery of the investment plans in the future.

6.6 AGREEMENTS EXECUTED BY COMPANIES OF THE CCC GROUP

LOANS

LENDER	BORROWER	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	CURRENCY	INTEREST RATE
CCC S.A.	CCC Shoes Bulgaria EOOD	4 Dec 2014	31 Jan 2025	4.0	BGN	3M EURIBOR + 2.83%
CCC S.A.	CCC.eu Sp. z o.o.	17 Dec 2014	1 Jun 2026	9.3	USD	1.50%
		22 Jun 2021	1 Jun 2026	1,600.0	PLN	1M WIBOR + 3.54%
CCC S.A.	CCC Estonia OÜ	9 May 2022	10 May 2024	0.3	EUR	3M EURIBOR + 3.08%
CCC S.A.	CCC Shoes Latvia	19 May 2022	19 May 2024	0.5	EUR	3M EURIBOR + 3.13%
CCC S.A.	CCC Lithuania UAB	10 May 2022	10 May 2024	0.2	EUR	3M EURIBOR + 3.22%
CCC S.A.	HR Group Holding s.a.r.l.	31 Jan 2019	31 Dec 2029	41.5	EUR	8.00%
CCC S.A.	CCC Obutev d.o.o	18 Feb 2019	29 Feb 2024	0.8	EUR	3M EURIBOR + 2.35%
		21 Apr 2020	30 Apr 2024	0.3	EUR	3M EURIBOR + 2.70%
CCC S.A.	HR Group GmbH & Co. KG	17 Feb 2020	31 Mar 2023	6.2	EUR	3.00%
CCC S.A.	HalfPrice Sp. z o.o.	22 Jun 2021	1 Jun 2026	200.0	PLN	3.55%
CCC S.A.	DeeZee Sp. z o.o.	17 Aug 2021	26 Jul 2026	11.0	PLN	3.55%

LENDER	BORROWER	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	CURRENCY	INTEREST RATE
CCC Shoes & Bags Sp. z o.o.	Shoe Express S.A.	25 Apr 2018	25 Apr 2024	30.0	EUR	3M EURIBOR + 3.3%
CCC Shoes & Bags Sp. z o.o.	CCC S.A.	17 Sep 2021	30 Sep 2028	360.0	PLN	3M WIBOR + 8.3%
CCC Shoes & Bags Sp. z o.o.	CCC.eu Sp. z o.o.	22 Feb 2022	29 Feb 2024	10.0	PLN	3M WIBOR + 3.6%
CCC Shoes & Bags Sp. z o.o.	CCC.eu Sp. z o.o.	26 Oct 2022	31 Oct 2026	17.0	EUR	3M EURIBOR + 3.5%

LENDER	BORROWER	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	CURRENCY	INTEREST RATE
CCC.eu Sp. z o.o.	CCC GERMANY GmbH (agreement)	11 Apr 2018	30 Apr 2023	18.5	EUR	1.80%
CCC.eu Sp. z o.o.	CCC Shoes & Bags Sp. z o.o.	24 Apr 2018	31 Jan 2029	20.0	EUR	1.80%
CCC.eu Sp. z o.o.	CCC S.A.	22 Jun 2021	1 Jun 2026	47.2	PLN	3.60%

LENDER	BORROWER	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	CURRENCY	INTEREST RATE
Modivo S.A.	eobuwie.pl Logistics Sp. z o.o.	15 Oct 2015	30 Sep 2026	50.0	PLN	3M WIBOR +0.55%
		24 Oct 2022	31 Dec 2027	60.0	PLN	3M WIBOR +0.55%
Modivo S.A.	Branded Shoes and Bags sp. z o.o.	11 Sep 2019	31 Dec 2029	2.0	PLN	3M WIBOR +0.55%
Modivo S.A.	eobuv.cz s.r.o.	12 Apr 2021	31 Dec 2031	4.5	PLN	3M PRIBOR +0.55%
Modivo S.A.	epantofi.modivo s.r.l.	3 Sep 2021	31 Dec 2031	15.0	PLN	3M ROBOR +0.55%
Modivo S.A.	Modivo SRL	4 Apr 2022	31 Dec 2027	0.2	EUR	3M EURIBOR +0.55%
Modivo S.A.	Modivo.sk s.r.o.	20 Sep 2022	31 Dec 2032	2.0	EUR	3M EURIBOR +0.55%
Modivo S.A.	Modivo.lv SIA	28 Jun 2023	31 Dec 2033	0.8	EUR	EUR 3M + 0.55%
eschuhe.de	Modivo S.A.	26 Sep 2023	31 Dec 2033	3.5	EUR	3M EURIBOR + 7.0%

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GUARANTEES PROVIDED AS SUPPORT OF COMMERCIAL SPACE LEASE CONTRACT AND SECURITY FOR LIABILITIES UNDER COMMERCIAL CONTRACTS

BANK GUARANTEES UNDER CCC S.A.'S GUARANTEE FACILITIES

COMPANY	NUMBER OF GUARANTEES	DEBTOR	AMOUNT OF GUARANTEE [MILLION]	CURRENCY
CCC S.A.	4	CCC Hrvatska d.o.o.	0.2	EUR
CCC S.A.	5	CCC Obutev d.o.o.	0.5	EUR
CCC S.A.	2	CCC Shoes Latvia	0.1	EUR
CCC S.A.	1	UAB CCC Lithuania	0.0	EUR
CCC S.A.	52	Shoe Express S.A.	1.9	EUR
CCC S.A.	1	Shoe Express S.A.	0.1	RON
CCC S.A.	8	CCC Shoes Bulgaria EOOD	0.4	EUR
CCC S.A.	1	DeeZee Sp. z o.o.	0.1	PLN
CCC S.A.	1	DeeZee Sp. z o.o.	0.1	EUR
CCC S.A.	15	Modivo S.A.	1.3	EUR
CCC S.A.	1	Modivo S.A.	0.2	PLN
CCC S.A.	5	OFP Austria GmbH	0.8	EUR
CCC S.A.	48	HalfPrice Sp. z o.o.	5.8	EUR
CCC S.A.	3	HalfPrice Sp. z o.o.	1.2	PLN
CCC S.A.	23	HalfPrice Sp. z o.o.	2.6	USD
CCC S.A.	2	CCC.eu Sp. z o.o.	2.4	USD
CCC S.A.	60	CCC S.A.	4.7	EUR
CCC S.A.	21	CCC S.A.	2.7	PLN

BANK GUARANTEES UNDER GUARANTEE FACILITIES OF OTHER COMPANIES

COMPANY	NUMBER OF GUARANTEES	DEBTOR	AMOUNT OF GUARANTEE [MILLION]	CURRENCY
CCC Czech s.r.o.	33	CCC Czech s.r.o.	41.6	CZK
CCC Czech s.r.o.	19	CCC Czech s.r.o.	1.3	EUR
CCC Slovakia s.r.o.	38	CCC Slovakia s.r.o.	1.8	EUR
CCC Hungary Shoes Kft.	12	CCC Hungary Shoes Kft.	1.5	EUR
Modivo S.A.	28	Modivo S.A.	18.8	EUR
Modivo S.A.	7	Modivo S.A.	15.0	PLN

SURETY FOR THE LEASE OF STORES PROVIDED BY THE PARENT

COMPANY	NUMBER OF SURETIES	DEBTOR	AMOUNT OF SURETY [MILLION]	CURRENCY
CCC S.A.	26	CCC Czech s.r.o.	28.1	CZK
CCC S.A.	18	CCC Czech s.r.o.	2.0	EUR
CCC S.A.	5	CCC Germany GmbH	0.3	EUR
CCC S.A.	15	CCC Hrvatska d.o.o.	0.6	EUR
CCC S.A.	54	CCC Hungary Shoes Kft.	2.4	EUR
CCC S.A.	14	CCC Hungary Shoes Kft.	139.0	HUF
CCC S.A.	13	CCC Obutev d.o.o.	0.5	EUR
CCC S.A.	24	CCC Slovakia s.r.o.	2.2	EUR
CCC S.A.	11	HalfPrice Sp. z o.o.	1.5	EUR
CCC S.A.	21	HalfPrice Sp. z o.o.	15.7	PLN
CCC S.A.	35	Shoe Express S.A.	1.7	EUR
CCC S.A.	1	Shoe Express S.A.	0.1	RON
CCC S.A.	3	CCC Estonia OU	0.1	EUR
CCC S.A.	3	CCC Shoes Latvia SIA	0.3	EUR
CCC S.A.	2	UAB CCC Lithuania	0.4	EUR

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OTHER SURETIES AND GUARANTEES

INTRAGROUP PROVIDED TO POLISH SUBSIDIARIES:

COMPANY	BANK	DEBTOR	TYPE OF SECURITY	PERIOD OF VALIDITY		AMOUNT OF SURETY OR GUARANTEE [MILLION]	CURRENCY
				START DATE	END DATE		
CCC S.A. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Millennium	CCC.eu Sp. z o.o.	Aval for reverse factoring agreement secured by guarantee BGK	20 Dec 2022	22 Dec 2027	2.6	PLN
CCC S.A. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Millennium	CCC.eu Sp. z o.o.	Aval for reverse factoring agreement secured by guarantee BGK	20 Dec 2022	22 Dec 2027	61.0	PLN
CCC S.A. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Pekao S.A.	CCC.eu Sp. z o.o.	Surety for multi-purpose credit facility agreement	20 Dec 2022	-	58.1	PLN
CCC S.A. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Pekao S.A.	CCC.eu Sp. z o.o.	Surety for overdraft facility agreement secured by guarantee BGK	20 Dec 2022	-	2.5	PLN
CCC S.A. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Bank Handlowy	CCC.eu Sp. z o.o.	Aval for card agreement	8 Dec 2016	3 years from debt due date	0.6	PLN
CCC S.A.	Santander Factoring	CCC.eu Sp. z o.o.	Surety for reverse factoring agreement secured by BGK	20 Dec 2022	-	147.5	PLN
CCC S.A.	mBank	CCC.eu Sp. z o.o.	Surety for revolving credit facility agreement secured by BGK	1 Jul 2021	30 Dec 2027	46.0	PLN
CCC S.A.	mBank	CCC.eu Sp. z o.o.	Surety for revolving credit facility agreement secured by BGK	1 Jul 2021	30 Dec 2027	3.5	PLN
CCC S.A.	BNP Paribas	CCC.eu Sp. z o.o.	Surety for overdraft facility agreement secured by guarantee BGK	1 Jul 2021	20 Dec 2027	17.8	PLN
CCC S.A.	Santander Bank	CCC.eu Sp. z o.o.	Surety for credit facility agreement secured by BGK guarantee	20 Dec 2022	20 Dec 2027	6.4	PLN
CCC S.A. (provided jointly with the Obligors*)	Bank Handlowy	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes & Bags Sp. z o.o.	Surety for syndicated agreement	18 Jun 2021	31 Dec 2028	245.7	PLN
CCC S.A. (provided jointly with the Obligors*)	Bank Millennium	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes & Bags Sp. z o.o.	Surety for syndicated agreement	18 Jun 2021	31 Dec 2028	78.4	PLN
CCC S.A. (provided jointly with the Obligors*)	Pekao S.A.	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes & Bags Sp. z o.o.	Surety for syndicated agreement	18 Jun 2021	31 Dec 2028	245.8	PLN
CCC S.A. (provided jointly with the Obligors*)	PKO BP S.A.	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes & Bags Sp. z o.o.	Surety for syndicated agreement	18 Jun 2021	31 Dec 2028	347.0	PLN
CCC S.A. (provided jointly with the Obligors*)	BNP PARIBAS	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes & Bags Sp. z o.o.	Surety for syndicated agreement	18 Jun 2021	31 Dec 2028	112.2	PLN

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CCC S.A. (provided jointly with the Obligors*)	mBank	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes & Bags Sp. z o.o.	Surety for syndicated agreement	18 Jun 2021	31 Dec 2028	154.0	PLN
CCC S.A. (provided jointly with the Obligors*)	Santander Bank / Santander Factoring	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes & Bags Sp. z o.o.	Surety for syndicated agreement	18 Jun 2021	31 Dec 2028	355.7	PLN
CCC.eu Sp. z o.o., CCC S.A., CCC Shoes & Bags Sp. z o.o., HalfPrice Sp. z o.o.	agent/Security Agent	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes & Bags Sp. z o.o.	Surety for Commission Agreement	24 Jun 2021	31 Dec 2028	2.6	PLN
CCC S.A.	PFR FI FIZAN	CCC Shoes & Bags Sp. z o.o.	Surety for bonds	16 Sep 2021	30 Sep 2031	720.0	PLN

* Obligors: CCC S.A., CCC.eu Sp. z o.o., CCC Shoes & Bags Sp. z o.o., HalfPrice Sp. z o.o., CCC Slovakia s.r.o., CCC Czech s.r.o., CCC Obutev d.o.o., CCC Hrvatska d.o.o., CCC Hungary, Shoe Express S.A., SIA CCC Shoes Latvia, CCC Estonia OU, UAB CCC Lithuania, OFP Austria GmbH.

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RECEIVED BY CCC S.A.

COMPANY	BANK	DEBTOR	TYPE OF SECURITY	PERIOD OF VALIDITY		AMOUNT OF SURETY OR GUARANTEE [MILLION]	CURRENCY
				START DATE	END DATE		
CCC.eu Sp. z o.o. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Bondholders	CCC S.A.	Surety for bonds	21 Jun 2018	20 Jun 2026	750.0	PLN
CCC.eu Sp. z o.o. (provided jointly with the Obligors)	Bondholders	CCC S.A.	Surety for bonds	1 Jun 2021	29 Jun 2027	315.0	PLN
CCC.eu Sp. z o.o. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	PKO BP S.A.	CCC S.A.	Surety for Common Terms Agreement (CTA)	5 Nov 2020	31 Dec 2027	90.0	PLN
CCC.eu Sp. z o.o. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Pekao S.A.	CCC S.A.	Surety for Common Terms Agreement (CTA)	5 Nov 2020	31 Dec 2027	61.5	PLN
CCC.eu Sp. z o.o. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	mBank	CCC S.A.	Surety for Common Terms Agreement (CTA)	5 Nov 2020	31 Dec 2027	58.5	PLN
CCC.eu Sp. z o.o. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Santander Bank	CCC S.A.	Surety for Common Terms Agreement (CTA)	5 Nov 2020	31 Dec 2027	75.0	PLN
CCC.eu Sp. z o.o. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Bank Millennium	CCC S.A.	Surety for Common Terms Agreement (CTA)	5 Nov 2020	31 Dec 2027	24.0	PLN
CCC.eu Sp. z o.o. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	BNP PARIBAS	CCC S.A.	Surety for Common Terms Agreement (CTA)	5 Nov 2020	31 Dec 2027	19.5	PLN
CCC.eu Sp. z o.o. (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Bank Handlowy	CCC S.A.	Surety for Common Terms Agreement (CTA)	5 Nov 2020	31 Dec 2027	46.5	PLN
CCC.eu Sp. z o.o. (provided jointly with the Obligors)	Bank syndicate	CCC S.A. (provided jointly with CCC.eu Sp. z o.o. and CCC Shoes & Bags Sp. z o.o.)	Surety for syndicated credit facility agreement	18 Jun 2021	31 Dec 2028	1,538.7	PLN

PROVIDED BY CCC S.A. TO FOREIGN SUBSIDIARIES

COMPANY	BANK	DEBTOR	TYPE OF SECURITY	PERIOD OF VALIDITY		AMOUNT OF SURETY [MILLION]	CURRENCY
				START DATE	END DATE		
CCC S.A.	Raiffeisen Bank Zrt	CCC Hungary Shoes Kft.	Surety for bank guarantee agreement	25 Jun 2014	31 Dec 2024	3.0	EUR

MATERIAL RELATED-PARTY TRANSACTIONS

To the best of the Group's knowledge, no material related-party transactions were concluded on non-arm's length terms during the financial year. For information on related-party transactions, see section 'Related-party transactions' in the consolidated financial statements.

DESCRIPTION OF SIGNIFICANT AGREEMENTS

Credit facility agreements, reverse factoring agreements, and guarantee facility agreements:

1. Amendment 156 of 3 March 2023 to the guarantee limit agreement of 31 March 2009 between CCC S.A. and Santander Bank Polska S.A.
2. Amendment 157 of 28 June 2023 to the guarantee limit agreement of 31 March 2009 between CCC S.A. and Santander Bank Polska S.A.
3. Amendment 20 of 14 March 2023 to the framework agreement of 14 November 2012 between CCC S.A. and mBank S.A.
4. Amendment 1 of 29 May 2023 to the confirming agreement of 20 December 2022 between CCC.eu and Santander Factoring Sp. z o.o., secured with a Bank Gospodarstwa Krajowego (BGK) guarantee
5. Amendment 1 of 29 May 2023 to the confirming agreement of 20 December 2022 between CCC.eu and Santander Factoring Sp. z o.o.
6. Amendment 2 of 31 May 2023 to the revolving facility agreement of 17 June 2021 between CCC.eu and Bank Handlowy w Warszawie S.A.
7. Amendment 3 of 31 August 2023 to the revolving facility agreement of 17 June 2021 between CCC.eu and Bank Handlowy w Warszawie S.A.
8. Amendment 4 of 30 November 2023 to the revolving facility agreement of 17 June 2021 between CCC.eu and Bank Handlowy w Warszawie S.A.
9. Amendment 8 of 31 May 2023 to the multi-purpose credit facility agreement of 21 November 2019 between CCC S.A., CCC.eu and Powszechna Kasa Oszczędności Bank Polski S.A.
10. Amendment 9 of 31 August 2023 to the multi-purpose credit facility agreement of 21 November 2019 between CCC S.A., CCC.EU and Powszechna Kasa Oszczędności Bank Polski S.A.
11. Amendment 10 of 6 November 2023 to the multi-purpose credit facility agreement of 21 November 2019 between CCC S.A., CCC.EU and Powszechna Kasa Oszczędności Bank Polski S.A.
12. Amendment 11 of 30 November 2023 to the multi-purpose credit facility agreement of 21 November 2019 between CCC S.A., CCC.EU and Powszechna Kasa Oszczędności Bank Polski S.A.
13. Amendment 23 of 29 June 2023 to the credit facility agreement of 18 April 2013 between CCC Czech s.r.o. and Česká spořitelna a.s.
14. Amendment 18 of 29 June 2023 to the credit facility agreement of 18 April 2013 between CCC Slovakia s.r.o. and Česká spořitelna a.s.
15. Amendment 26 of 30 June 2023 to the multi-purpose credit facility agreement of 15 October 2014 between CCC.eu and Bank Polska Kasa Opieki S.A.
16. Amendment 27 of 31 October 2023 to the multi-purpose credit facility agreement of 15 October 2014 between CCC.eu and Bank Polska Kasa Opieki S.A.
17. Amendment 28 of 30 November 2023 to the multi-purpose credit facility agreement of 15 October 2014 between CCC.eu and Bank Polska Kasa Opieki S.A.
18. Amendment 29 of 31 January 2024 to the multi-purpose credit facility agreement of 15 October 2014 between CCC.eu and Bank Polska Kasa Opieki S.A.
19. Amendment 6 of 13 September 2023 to the framework agreement concerning payment of receivables under commercial contracts of 2 August 2018 between CCC.eu and Bank Handlowy w Warszawie S.A.
20. Amendment 7 of 16 November 2023 to the framework agreement concerning payment of receivables under commercial contracts of 2 August 2018 between CCC.eu and Bank Handlowy w Warszawie S.A.
21. Supplier eFINANCING agreement of 31 October 2023 between CCC. EU and Bank Polska Kasa Opieki S.A.

22. Amendment 1 of 30 November 2023 to the supplier eFINANCING agreement of 31 October 2023 between CCC. EU and Bank Polska Kasa Opieki S.A.
23. Reverse factoring agreement of 6 November 2023 between CCC.eu and PKO Faktoring S.A.
24. Amendment 15 of 16 November 2023 to the revolving facility agreement of 3 March 2009 between CCC.eu and Bank Handlowy w Warszawie S.A.
25. Amendment 16 of 16 November 2023 to the overdraft facility agreement of 3 March 2009 between CCC.eu and Bank Handlowy w Warszawie S.A.
26. Amendment 6 of 30 November 2023 to the reverse factoring agreement of 15 December 2017 between CCC.eu and Bank Millennium S.A.
27. Amendment 7 of 31 January 2024 to the reverse factoring agreement of 15 December 2017 between CCC.eu and Bank Millennium S.A.
28. Amendment 3 of 30 January 2024 to the overdraft facility agreement of 31 March 2021 between CCC.eu and BNP Paribas Bank Polska S.A.
29. Amendment 3 of 31 January 2024 to the overdraft facility agreement of 31 March 2021 between CCC.eu and Bank Polska Kasa Opieki S.A.
30. Amendment 1 of 31 January 2024 to the reverse factoring agreement of 20 December 2022 between CCC.eu and Bank Millennium S.A.
31. Amendment 14 of 26 April 2023 to the multi-purpose credit facility agreement of 26 October 2017 between Modivo S.A. and Bank Polska Kasa Opieki S.A., extending the facility term until 26 April 2024 and confirming the waiver obtained on 13 April 2023
32. Amendment 15 of 25 January 2024 to the multi-purpose credit facility agreement of 26 October 2017 between Modivo S.A. and Bank Polska Kasa Opieki S.A., confirming the waiver obtained on 9 October 2023
33. Amendment 4 of 13 April 2023 to the multi-purpose credit facility agreement of 2 June 2021
34. between Modivo S.A. and Powszechna Kasa Oszczędności Bank Polski S.A., waiving the covenant test scheduled for 31 July 2023
35. Amendment 5 of 23 November 2023 to the multi-purpose credit facility agreement of 2 June 2021 between Modivo S.A. and Powszechna Kasa Oszczędności Bank Polski S.A., extending the facility term until 21 November 2025, waiving the covenant test scheduled for 31 January 2024, and introducing new covenants
36. Amendment 6 of 21 April 2023 to the multi-purpose credit facility agreement of 2 June 2021 between Modivo S.A. and Powszechna Kasa Oszczędności Bank Polski S.A., clarifying certain covenant definitions introduced under Amendment 5
37. Amendment 7 of 27 March 2024 to the multi-purpose credit facility agreement of 2 June 2021 between Modivo S.A. and Powszechna Kasa Oszczędności Bank Polski S.A., waiving the covenant tests scheduled for 30 April and 31 July 2024
38. Factoring agreement No. 623/2023 of 13 July 2023 between Modivo S.A. and Pekao Faktoring Sp. z o.o. for receivables up to PLN 50m
39. Amendment 1 of 21 December 2023 to factoring agreement No. 623/2023 of 13 July 2023 between Modivo S.A. and Pekao Faktoring Sp. z o.o., increasing the factoring limit to PLN 70m from PLN 50m
40. Amendment 6 of 21 December 2023 to factoring agreement No. 9/2019 of 14 January 2019 between Modivo S.A. and Pekao Faktoring Sp. z o.o., decreasing the factoring limit to PLN 80m from PLN 100m
41. Amendment 2 of 4 July 2023 to factoring agreement No. 2897/10/2022 between Modivo S.A. and PKO Faktoring S.A., modifying the supplier notification form
42. Amendment 3 of 12 October 2023 to factoring agreement No. 2897/10/2022 between Modivo S.A. and PKO Faktoring S.A., extending the factoring expiry date from 26 October 2023 until 26 October 2024
43. Amendment 4 of 4 July 2023 to factoring agreement No. 2437/07/2021 of 30 July 2021 between Modivo S.A. and PKO Faktoring S.A., modifying the supplier notification form
44. Amendment 5 of 12 October 2023 to factoring agreement No. 2437/07/2021 of 30 July 2021 between Modivo S.A. and PKO Faktoring S.A., extending the factoring expiry date from 26 October 2023 until 31 January 2024
45. Amendment 6 of 15 December 2023 to factoring agreement No. 2437/07/2021 of 30 July 2021 between Modivo S.A. and PKO Faktoring S.A., extending the factoring expiry date from 31 January 2024 until 31 October 2024

7. CURRENT SALES TRENDS

Q1'24 QTD

During the period from 1 February to 31 March 2024 (two months of the first quarter of the current financial year), the revenue of the CCC Group was PLN 1.3bn, having increased by 7% year on year, with the retail space 2% larger. The Group's gross margin was about 52%, 6pp higher than in the same period last year. The Group continues to work on reducing its cost base.

The Management Board of the CCC Group is satisfied with the results of the changes made within the organisation, which have led to the successful delivery of targets in sales performance, margin enhancement, and cost containment.

8. ANALYSIS OF SELECTED FINANCIAL AND OPERATING DATA OF CCC S.A.

8.1 SELECTED FINANCIAL AND OPERATING DATA OF CCC S.A.

	PLNm		EURm	
Selected financial data from the statement of comprehensive income	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023
	audited	audited	audited	audited
Revenue	**2,655.6**	**2,721.9**	**590.4**	**579.4**
Gross profit (loss)	768.6	793.7	170.9	169.0
Operating profit (loss)	66.8	64.5	14.9	13.7
Profit (loss) before tax	219.1	-21.6	48.7	-4.6
Net profit (loss)	**220.8**	**-22.9**	**49.1**	**-4.9**

	PLNm		EURm	
Selected financial data from the statement of financial position	31 Jan 2024	31 Jan 2023	31 Jan 2024	31 Jan 2023
	audited	audited	audited	audited
Non-current assets	**3,044.6**	**2,584.1**	**701.0**	**548.8**
Current assets, including:	**580.7**	**609.7**	**133.7**	**129.5**
Inventories	351.3	381.7	80.9	81.1
Cash	33.4	38.0	7.7	8.1
Total assets	**3,625.3**	**3,193.8**	**834.7**	**678.2**
Non-current liabilities, including:	**954.0**	**1,346.1**	**219.6**	**285.9**
Bank borrowings and bonds	537.6	807.2	123.8	171.4
Lease liabilities	404.9	509.9	93.2	108.3
Current liabilities, including:	**723.8**	**622.6**	**166.6**	**132.2**
Bank borrowings and bonds	253.5	55.0	58.4	11.7
Trade and other payables	164.0	171.1	37.8	36.3
Total liabilities	**1,677.8**	**1,968.7**	**386.3**	**418.1**
Equity	**1,947.5**	**1,225.1**	**448.4**	**260.2**

	PLNm		EURm	
Selected financial data from the separate statement of cash flows	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023
	audited	audited	audited	audited
Net cash flows from operating activities	261.8	342.0	58.2	72.8
Net cash flows from investing activities	-447.4	-212.1	-99.5	-45.2
Net cash flows from financing activities	181.0	-218.1	40.2	-46.4
Total cash flows	**-4.6**	**-88.2**	**-1.0**	**-18.8**
Capital expenditure	-35.5	-107.2	-7.9	-22.8

Operating data	31 Jan 2024	31 Jan 2023
	audited	audited
Number of stores	442	444
Retail space (thousand m^2)	279.6	281.9

8.2 SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

How we define the individual components of the result

Revenue includes revenue from sale of merchandise and sublease services generated in the ordinary course of business, and revenue from the provision of logistics services to CCC.eu Sp. z o.o. until 31 August 2023

As **costs of sales** the Company recognises: costs of goods sold, cost of packaging sold, cost of provisions for complaints; cost of sublease, logistics and accounting services (including the cost of logistics services provided to CCC.eu Sp. z o.o. until 31 August 2023); and inventory write-downs.

Gross profit on sales is calculated as the difference between revenue and cost of sales, and gross profit margin as the ratio of gross profit to revenue.

We also use the following measures in the analysis: revenue per square metre of retail space, and sales of like-for-like store (definitions of these measures are given in the respective tables).

REVENUE

REVENUE [1]			
	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	audited	audited	
CCC omnichannel	2,509.3	2,548.6	-1.5%
Services	146.3	173.3	-15.6%
Total	**2,655.6**	**2,721.9**	**-2.4%**

BREAKDOWN OF REVENUE INTO LIKE-FOR-LIKE SALES AND SALES BY NEWLY OPENED OR CLOSED OUTLETS.

		LIKE-FOR-LIKE STORES [1]				OTHER STORES [2]		
SEGMENT	BUSINESS LINE	NUMBER	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
			audited	audited		audited	audited	
Poland	CCC	329.0	1,510.3	1,568.7	*-3.7%*	561.4	587.4	*-4.4%*
Total		**329.0**	**1,510.3**	**1,568.7**	***-3.7%***	**561.4**	**587.4**	***-4.4%***

		LIKE-FOR-LIKE STORES [1]				OTHER STORES [2]		
SEGMENT	BUSINESS LINE	NUMBER	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]	1 Nov 2023–31 Jan 2024	1 Nov 2022–31 Jan 2023	Change [%]
			unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
Poland	CCC	396.0	455.0	430.1	*5.8%*	66.4	63.5	*4.6%*
Total		**396.0**	**455.0**	**430.1**	***5.8%***	**66.4**	**63.5**	***4.6%***

Year on year, there was a PLN 58.4m decrease in sales generated by like-for-like stores (-3.7%).

As at 31 January 2024, retail space at CCC S.A. was 279,600 m^2, down 2,300 m^2 year on year.

GROSS PROFIT

Year on year, gross profit fell by PLN 25.1m, to PLN 768.6m (-3.2%).

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COSTS OF POINTS OF PURCHASE AND DISTRIBUTION

Costs of points of purchase and distribution			
	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	audited	audited	
Salaries, wages and employee benefits	-235.4	-268.1	-12.2%
Other rental costs – utilities and other variable costs	-146.6	-133.0	10.2%
Depreciation/amortisation	-136.8	-164.0	-16.6%
Transport services	-42.6	-42.9	-0.7%
Other expenses	-34.6	-49.8	-30.5%
Taxes and charges	-18.7	-18.8	-0.5%
Raw material and consumables used	-18.5	-20.8	-11.1%
Advertising	-2.3	-2.0	15.0%
Total	**-635.5**	**-699.4**	**-9.1%**

ADMINISTRATIVE EXPENSES

Administrative expenses			
	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	audited	audited	
Salaries, wages and employee benefits	-18.9	-23.0	-17.8%
Other expenses	-27.9	-25.1	11.2%
Depreciation/amortisation	-12.9	-10.8	19.4%
Other rental costs – utilities and other variable costs	-11.7	-2.5	>100%
Raw material and consumables used	-5.7	-7.8	-26.9%
Taxes and charges	-1.1	-1.6	-31.3%
Transport services	-0.6	-0.2	>100%
Advertising	-0.3	-1.1	-72.7%
Total	**-79.1**	**-72.1**	**9.7%**

Effect of other income and expenses

<u>How we define the individual components of the result</u>

Other income and expenses include income and expenses from non-core activities, such as gains or losses on disposal of property, plant and equipment, penalties and fines, donations, etc.

Finance income and costs of the Company include interest expense, commission fees, and foreign exchange gains and losses.

Income tax includes accrued tax and deferred tax.

OTHER INCOME AND EXPENSES

Net other income and expenses came in positive at PLN 22.0m, relative to PLN 46.9m net other income in the previous year. The largest contributors to net other income and expenses were the gain on settlement of lease contracts (PLN 9.7m) and the reversal of provisions for contractual penalties (PLN 9.1m). Also in the reporting period, a PLN 9.2m loss allowance was recognised on receivables.

FINANCE INCOME AND COSTS

In the reporting period, finance income was PLN 214.3m, an increase of PLN 137.2m year on year. The main items of finance income in the reporting period included interest income (PLN 110.4m) and proceeds from the liquidation of CCC Austria (PLN 62.7m).

Finance costs amounted to PLN 144.9m, an increase of PLN 26.2m year on year. Interest expense on leases, borrowings and bonds (PLN 139.1m) was the main item of finance costs in the reporting period.

Other separately recorded items included the reversal of allowances for expected credit losses (PLN 92.1m on a net basis) under finance income and impairment losses on shares (PLN 9.2m) under finance costs.

INCOME TAX

In the reporting period, income tax expense totalled PLN 1.7m, including current tax of PLN 16.2m, deferred tax assets of PLN 21.0m, and negative prior year adjustments of PLN 3.1m.

NET PROFIT OR LOSS

After finance income, finance costs and income tax, net profit amounted to PLN 220.8m, an improvement by PLN 243.7m year on year.

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8.3 STATEMENT OF FINANCIAL POSITION (MAIN ITEMS)

	31 Jan 2024	31 Jan 2023	Change [%]
	audited	audited	
Non-current assets, including:	**3,044.6**	**2,584.1**	**17.8%**
Property, plant and equipment	308.2	548.9	-43.9%
Right-of-use assets	378.0	419.0	-9.8%
Deferred tax assets	60.9	39.9	52.6%
Loans	869.1	980.1	-11.3%
Long-term investments	1,290.1	434.6	>100%
Current assets, including:	**580.7**	**609.7**	**-4.8%**
Inventories	351.3	381.7	-8.0%
Cash and cash equivalents	33.4	38.0	-12.1%
TOTAL ASSETS	**3,625.3**	**3,193.8**	**13.5%**
Non-current liabilities, including:	**954.0**	**1,346.1**	**-29.1%**
Financing liabilities	537.6	807.2	-33.4%
Lease liabilities	404.9	509.9	-20.6%
Current liabilities, including:	**723.8**	**622.6**	**16.3%**
Financing liabilities	253.5	55.0	>100%
Trade and other payables	164.0	171.1	-4.1%
TOTAL LIABILITIES	**1,677.8**	**1,968.7**	**-14.8%**
EQUITY	**1,947.5**	**1,225.1**	**59.0%**

Non-current assets

How we define the individual components of the non-current assets

Property, plant and equipment include leasehold improvements (i.e., expenditure on leased premises used in the retail business) and property, plant and equipment used in the distribution and other activities.

Right-of-use assets are measured at cost as at the contract inception date. The cost of a right-of-use asset includes the amount of the initial measurement of the lease liability, any lease payments paid on or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee, an estimate of the costs to be incurred by the lessee to dismantle and remove the underlying asset, refurbish the site on which it is located, or bring the underlying asset to the condition required by the lease terms, unless those costs are incurred to produce inventories.

Deferred tax assets and liabilities are recognised as a result of differences between the carrying amounts of assets and liabilities and their corresponding tax bases and on unused tax losses.

As at the reporting date, non-current assets comprised property, plant and equipment (PLN 308.2m), intangible assets (PLN 3.2m), goodwill (PLN 48.8m), right-of-use assets (PLN 378m), loans (PLN 869.1m), long-term investments (PLN 1,290.1m), lease receivables (PLN 86.2m), and deferred tax assets (PLN 60.9m). The value of non-current assets rose 17.8% year on year, to PLN 3,044.6m, mainly on a PLN 855.5m increase in long-term investments.

Current assets

How we define the individual components of the current assets

Inventories are stated at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less variable costs necessary to make the sale.

Cash and cash equivalents include cash in hand and bank deposits payable on demand.

As at the reporting date, current assets were PLN 580.7m and comprised inventories (PLN 351.3m), cash and cash equivalents (PLN 33.4m), receivables from customers (PLN 67.2m), other receivables (PLN 46.7m), loans (PLN 52.3m), and lease receivables (PLN 29.8m).

INVENTORIES

The Company's objective is to minimise inventories, while maintaining an adequate volume of merchandise to maximise sales. As at the reporting date, inventories were reduced by 8% year on year, to PLN 351.3m.

CASH AND CASH EQUIVALENTS

As at the reporting date, cash and cash equivalents amounted to PLN 33.4m, down by PLN 4.6m (-12.1%) from the comparative period. As at the reporting date, 99% of cash was held in hand or in bank accounts.

Equity and financing liabilities

How we define the individual components of equity and financing liabilities

Equity is recognised with a breakdown into specific components, in accordance with legal regulations and the relevant provisions of the Articles of Association. Components of equity:

- share capital is recognised at the amount specified in the Articles of Association and disclosed in the court register,
- share premium,
- retained earnings created from distribution of profit or loss, retained earnings, and net profit (loss) for the reporting period, and based on the existing employee stock option plan.

Dividend payments to owners are recognised as a liability in the Company's financial statements in the period in which they were approved by shareholders of the Company.

Trade payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, and are classified as current liabilities if they mature within one year. Otherwise, liabilities are disclosed as non-current. Trade liabilities are measured at amounts due.

As at the reporting date, equity amounted to PLN 1,947.5m, having increased by PLN 722.4m (59.0%).

As at the reporting date, non-current liabilities amounted to PLN 954.0m, and comprised mainly liabilities under bank borrowings and bonds (PLN 537.6m) and lease liabilities (PLN 404.9m). Non-current liabilities were PLN 392.1m (-29.1%) lower than as at the end of the comparative period, mainly on account of a PLN 269.6m decrease in financing liabilities.

As at the reporting date, current liabilities amounted to PLN 723.8m, and consisted of liabilities under bank borrowings and bonds (PLN 253.5m), payables towards suppliers (PLN 164.0m), lease liabilities (PLN 191.7m), provisions (PLN 12.2m), and other liabilities (PLN 101.5m). Current liabilities increased by PLN 101.2m (16.0%) compared with the previous reporting period, mainly as a consequence of higher financing liabilities (PLN 198.5m). For information on financing liabilities, see 'Debt and liquidity of CCC S.A.'.

Consolidated Directors' Report on the operations of the CCC Group for the 12 months from 1 February 2023 to 31 January 2024 (all amounts in PLN million unless stated otherwise)

8.4 STATEMENT OF CASH FLOWS (MAIN ITEMS)

	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	audited	audited	
Profit before tax	**219.1**	**-21.6**	**<-100%**
Adjustments	-2.4	309.4	<-100%
Income tax paid	-3.1	-8.1	-61.7%
Cash flow before changes in working capital	**213.6**	**279.7**	**-23.6%**
Changes in working capital	48.2	62.3	-22.6%
Cash flows from operating activities	**261.8**	**342.0**	**-23.5%**
Cash flows from investing activities	**-447.4**	**-212.1**	**>100%**
Cash flows from financing activities, including:	**181.0**	**-218.1**	**<-100%**
Repayment of borrowings	-20.6	0.0	-
Lease payments	-157.2	-153.4	0.0
Interest paid	-156.9	-76.6	>100%
Share issue	501.6	0.0	-
Total cash flows	**-4.6**	**-88.2**	**-94.8%**
Cash and cash equivalents at end of period	**33.4**	**38.0**	**-12.1%**

8.5 PROFIT GUIDANCE

No profit guidance has been published.

9. MANAGEMENT OF FINANCIAL RESOURCES AND LIQUIDITY

9.1 DEBT AND LIQUIDITY OF CCC S.A.

CCC S.A. finances its operations using equity and external capital, including bank and non-bank borrowings as well as bonds.

Bank and non-bank borrowings, and bonds

As at the reporting date, the Company had non-current financing liabilities of PLN 537.6m, including liabilities under bonds of PLN 188.7m.

The current portion of financing liabilities as at the reporting date amounted to PLN 253.5m and comprised short-term bank borrowings of PLN 251.7m and interest on bonds of PLN 1.8m.

For detailed information on the credit facility agreements and guarantee limits in effect in the reporting period, see the section entitled ‘Analysis of selected financial and operating data of the CCC Group’ in the consolidated data.

Bonds

For information on the bonds, see the section entitled ‘Analysis of selected financial and operating data of the CCC Group’.

Covenants

For information on the covenants, see the section entitled ‘Analysis of selected financial and operating data of the CCC Group’.

Financial instruments

For information on the financial instruments, see the section entitled 'Analysis of selected financial and operational data of the CCC Group'.

Issue of securities and use of proceeds

For information on the issue of securities, see the section entitled 'Analysis of selected financial and operating data of the CCC Group'.

Feasibility of investment plans

For assessment of the feasibility of investment plans, see the section entitled 'Analysis of selected financial and operating data of the CCC Group'.

Agreements executed by CCC S.A.

LOANS

For the CCC Group's loan agreements involving loans advanced by CCC S.A. which were in effect in the reporting period, see consolidated data in the section entitled 'Analysis of selected financial and operating data of the CCC Group'.

SURETIES, GUARANTEES AND OTHER CONTINGENT LIABILITIES

For the sureties and guarantees provided and received by CCC S.A. which were in effect in the reporting period, see consolidated data in the section entitled 'Analysis of selected financial and operating data of the CCC Group'.

Material related-party transactions

For information on material related-party transactions, see the section entitled 'Analysis of selected financial and operating data of the CCC Group'.

Description of significant agreements

For a description of significant agreements, see the section entitled 'Analysis of selected financial and operating data of the CCC Group'.

10. STRATEGY OF THE CCC GROUP

Introduction

The CCC Group's current growth strategy ("GO.25") was unveiled in late 2021. Events that followed shortly thereafter (the outbreak of war in Ukraine, surging commodity prices and inflation, currency fluctuations, weakening of consumer purchasing power, to name a few), as well as the lingering impacts of the COVID-19 pandemic at that time, forced the CCC Group to promptly adjust and adapt its operations and strategy to the new and highly volatile market conditions. Specifically, the Group's expansion plans had to be recalibrated to account for a slower-than expected growth, and certain operational objectives were deprioritised. Concurrently, there was an increased focus on ensuring further diversification of the product portfolio, mainly through licences obtained from international footwear and clothing brands and continued strengthening of our business model centred around the CCC Group's unique ecosystem, supported by the dynamic expansion of HalfPrice This section presents an updated and revised version of the CCC Group's original strategy, incorporating these recent developments. The CCC Group is now a lean, nimble organisation with a structured business model, and is improving its profitability by focusing on margin strengthening and cost discipline. Completion of the refinancing process on favourable terms for the Company will allow it to return to a path of dynamic and profitable growth, with HalfPrice's development as its flywheel over the next 3 years.

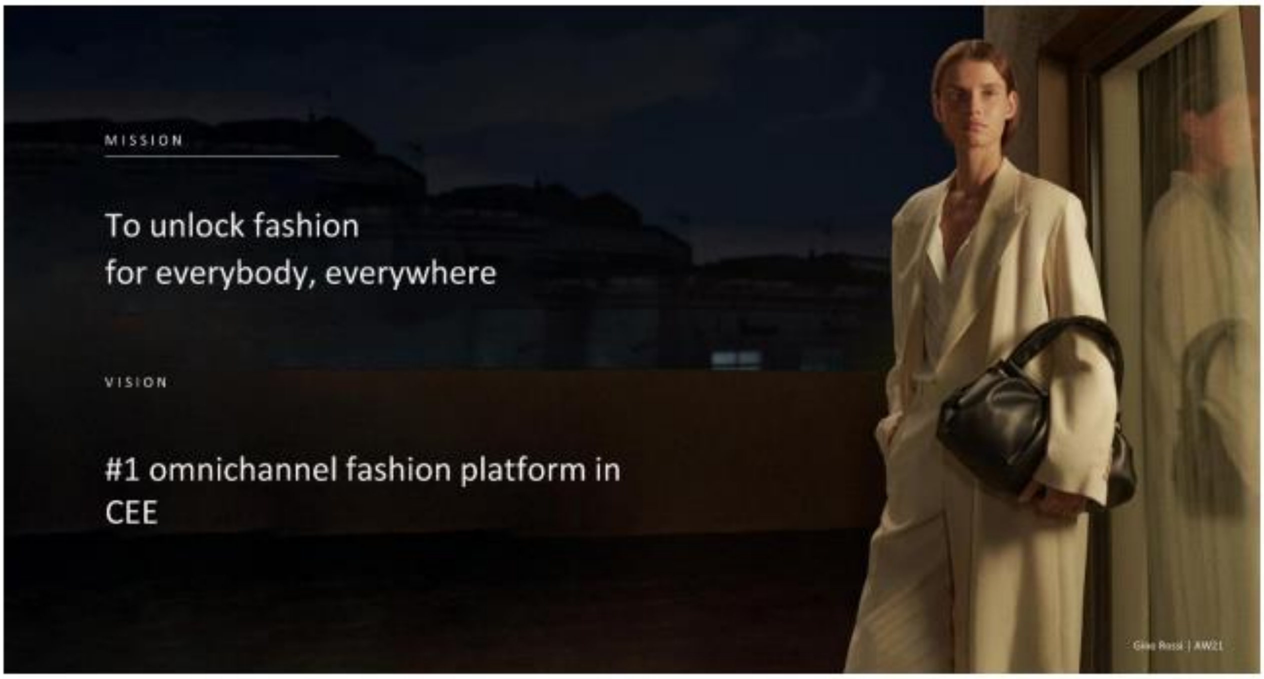
10.1 OUR MISSION, VISION AND VALUES

MISSION

To unlock fashion for everybody, everywhere

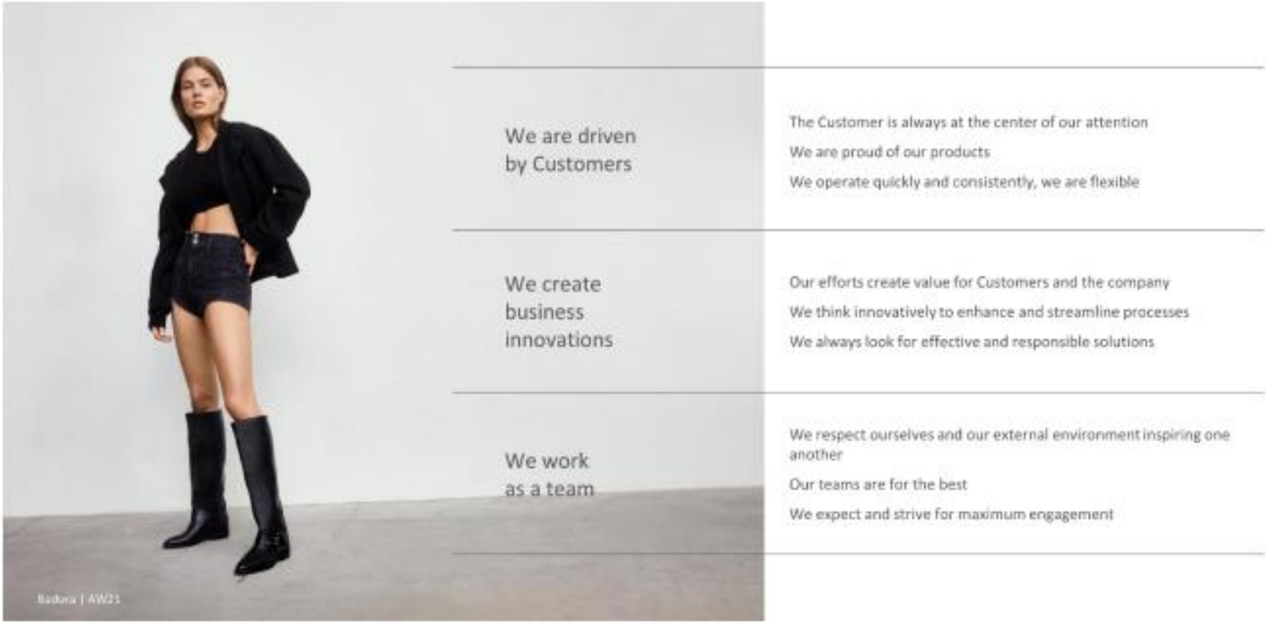
VISION

#1 omnichannel fashion platform in CEE



<u>In addition, the Group upholds the following core values as the cornerstone of its operations:</u>

1) **We are powered by customers**
2) **We create business innovations**
3) **We work as a team**



10.2 BUSINESS MODEL

<u>The Group's strategy is implemented through an omnichannel platform whose key elements are:</u>

1. **Business lines**

   Four robust, mutually complementary business lines: CCC, HalfPrice, eobuwie, and Modivo, which collectively enhance the Group's reach by offering a broad spectrum of products, engaging consumers through multiple sales channels, and targeting a wide range of price points.

2. **Channels**

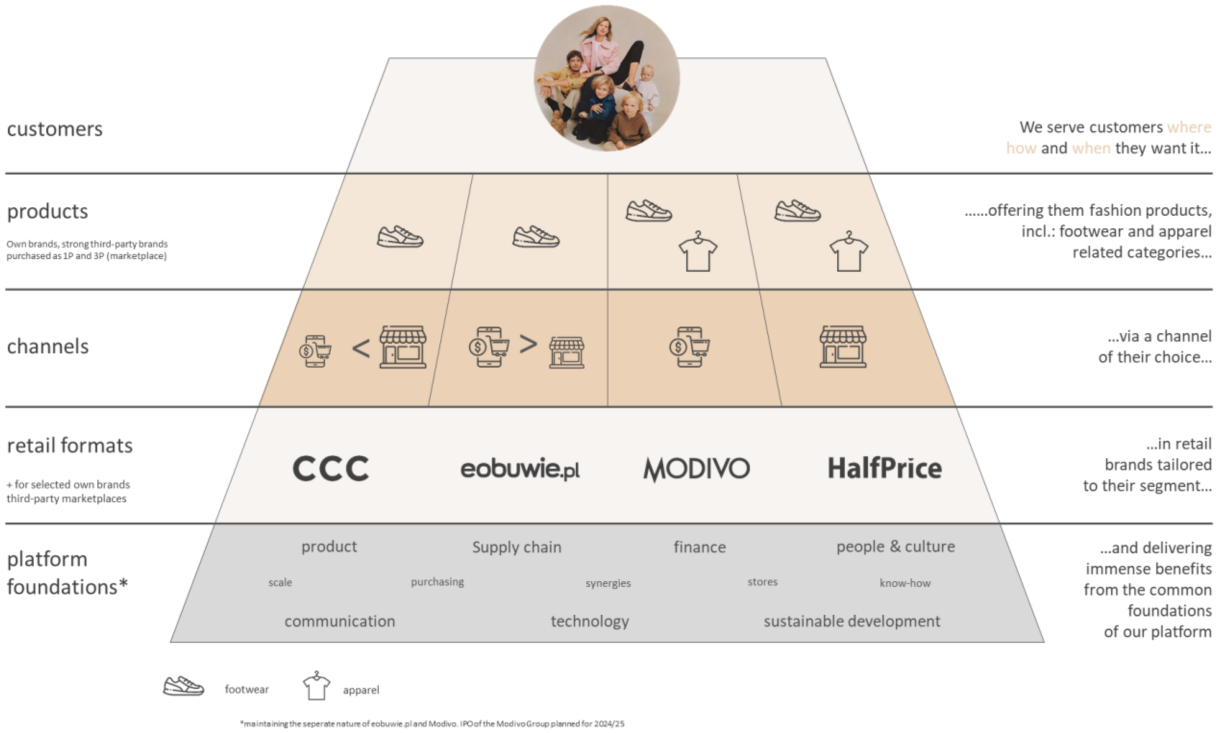
   A blend of own offline and online channels, targeting both the full-price and off-price market segments and enabling customers to select their preferred shopping method and price range for a wide variety of products.

3. **Products and brands**

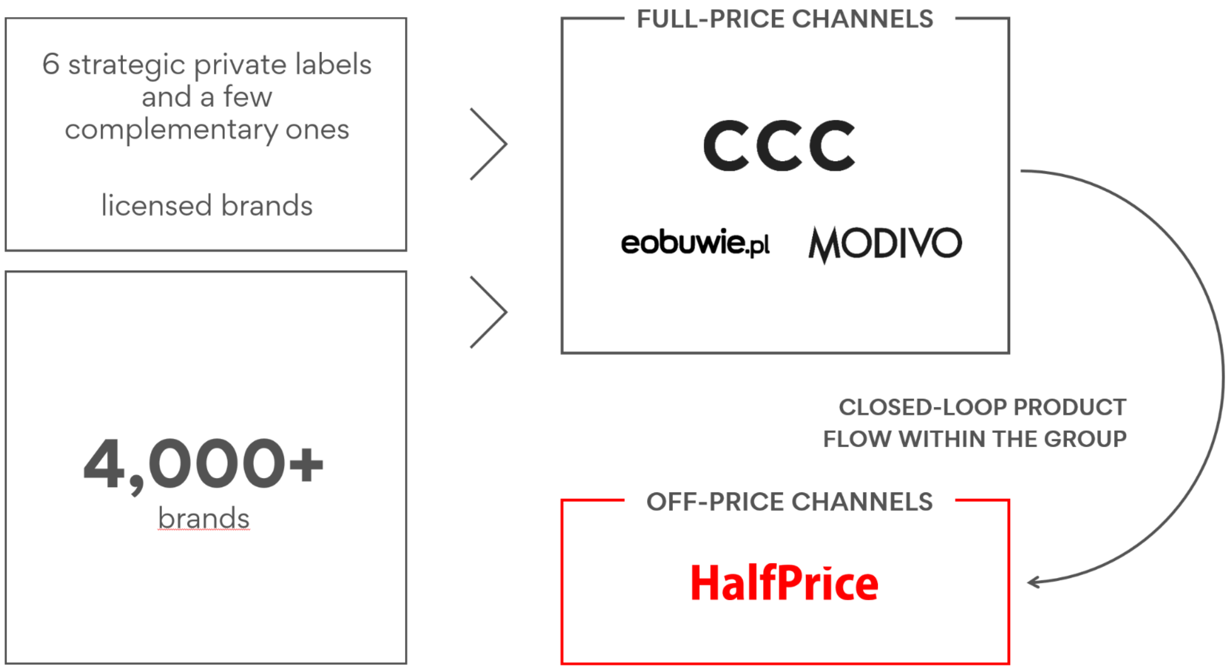
   A diverse product mix, comprised of an extensive selection of footwear, clothing, accessories, and more from proprietary, licensed, and well-established partner brands.

4. **Platform foundations**

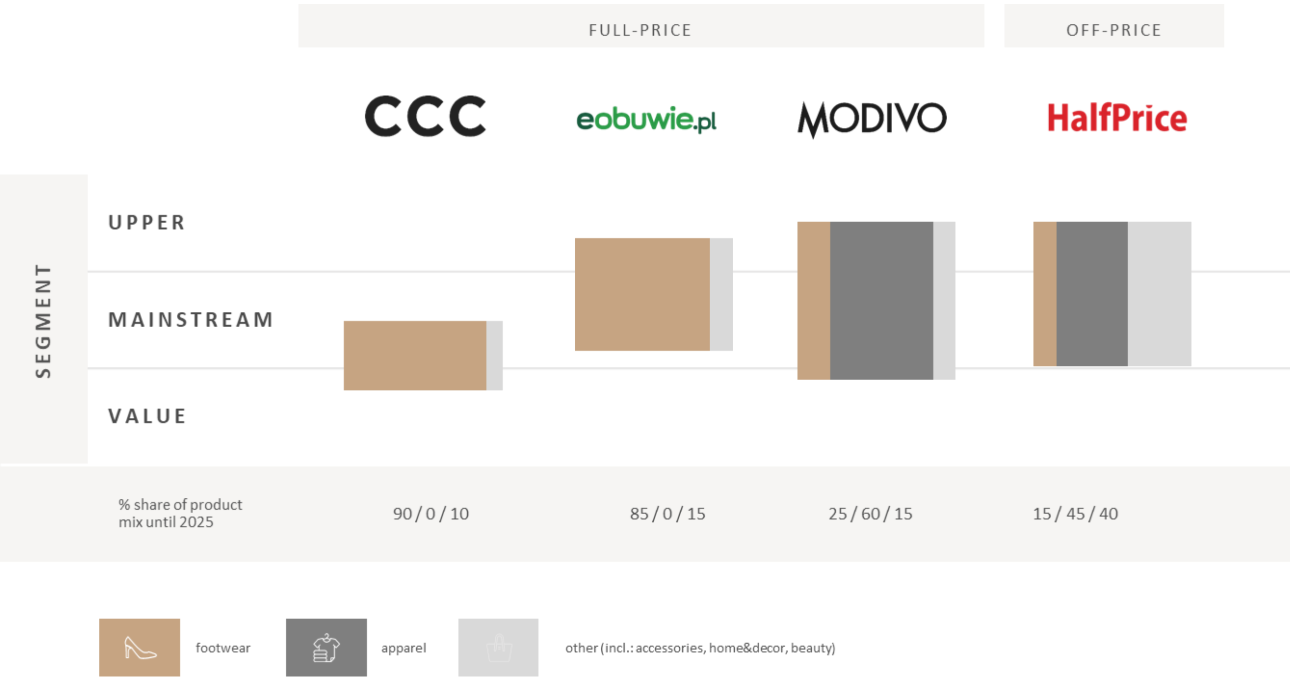
   These include primarily product procurement and sourcing, supply chain management, technology, partnerships with external stakeholders (such as suppliers, brand owners, and lessors), communications, finance, sustainability initiatives, and organisational culture.



The CCC Group's omnichannel platform is a unique ecosystem for products representing various brands (including proprietary, licensed and third-party brands, which are consistently developed by the Group), enabling the flow of products from full-price (CCC, eobuwie, Modivo) to off-price (HalfPrice) channels.



The Group's platform comprises the complementary business lines CCC, eobuwie, Modivo, and HalfPrice, complementing one another in terms of sales channels (online/offline), product mix (footwear, clothing, new categories), segments (full-price/off-price) and price points.



10.3 THE CCC GROUP'S STRATEGIC GOALS

As part of its current strategy, looking ahead to 2025, the CCC Group has identified the following strategic objectives:

1) **Scaling up the business**: doubling the Group's revenue relative to the LTM figure posted in Q3 2021 by utilising its omnichannel capacities; importantly, securing business profitability is given priority over achieving growth alone;

2) **Improving EBITDA margin**: consistently increasing margins year after year to match the top margin benchmarks for the retail sector (across its different segments);

3) **Expanding product offerings, including adding new categories**: continued expansion of product categories tied together by fashion and branding, such as clothing;

4) **Contribution of online sales:** focusing on ensuring well-balanced, comparable percentage shares between pure online and digitalised offline channels;

5) **NPS**: increasing the Group's customer NPS through continued customer-centric focus and enhancing customer experience on an ongoings basis,

and Sustainable Development Goals, that is low-carbon circular economy, diversity and transparency, which underpin our strategic efforts.

11. SIGNIFICANT RISK FACTORS

The risks identified by CCC S.A., with relevant descriptions and measures taken to minimise their impact, are provided below.

RISK	DEFINITION	ACTION
Footfall at offline stores	If there is a lasting and significant decline in foot traffic at offline stores due to the COVID-19 pandemic, the Group's offline segment may deliver financial results significantly below the target set forth in the Strategy.	➢ ongoing monitoring of store performance and store chain management, including store closures and openings, space reductions and expansions, relocations, etc. ➢ consistent expansion of digital distribution channels – online and mobile sales platforms, ➢ monitoring the activities of other market operators.
Aligning products with customer expectations	The Group's ability to offer footwear and other products in line with current trends in fashion and customer expectations is crucial in driving customers' interest in purchasing them.	➢ building on the long track-record in designing, manufacturing and sale of footwear, ➢ influencing fashion trends through promotional and marketing activities and collaboration with influencers, ➢ implementing improvements in the process of creating, ordering and delivering collections to shorten design-to-shelf lead times.
Strength and recognition of brands under which the Group markets its products (notably CCC and eobuwie) and its proprietary brands of selected products (notably Lasocki, Gino Rossi, DeeZee, Sprandi, and Jenny Fairy)	Declining brand recognition affects customer interest, leading to lower traffic in offline and digital stores, which may cause financial performance to be significantly below the target set in the Strategy.	➢ promotional and marketing activities aimed at strengthening individual brands, ➢ building a footwear retail ecosystem integrating numerous touchpoints to increase customer loyalty, ➢ rollout of up-to-date offline store formats to boost brand image.
Risk of manufacturing delays/supply chain disruption	The Company's proprietary products are supplied by a fragmented group of Asian manufacturers, while third-party brands are sourced mainly from European suppliers. In the event of any delays in such supplies, there is a risk that the Company will not be able to deliver well-timed products (matched to the current season or BTS period) sought by its customers. Moreover, in extreme cases, supply chains may get disrupted, preventing the Group from sourcing merchandise.	➢ ongoing monitoring of goods in transit helps manage the risk of delayed deliveries, ➢ relationships with many forwarders allow, in the event of a delay risk, to switch shipowners or modes of transport of goods from Asia to Poland.
Freight price risk	The Company's proprietary products are sourced from a fragmented group of Asian manufacturers. Such goods are supplied mostly by sea. Given that freight prices are variable and depend, among other factors, on the prevailing macroeconomic conditions, their sudden growth may adversely affect the Company's financial performance. Moreover, in extreme cases, supply chains may get disrupted, preventing the Group from sourcing merchandise.	➢ in order to mitigate the risk of fluctuations in freight prices for supplies originating in Asia, cooperation with forwarders is based on quarterly price quotes and partially on contracts guaranteeing a fixed freight price in the long term regardless of current market rates, ➢ continuous monitoring of the freight market and relationships maintained with a number of forwarders help diversify the risk of supply chain disruption in the short term.
Risk related to merchandise stocks/purchase orders	The Company orders seasonal collections some time in advance. This entails a risk of insufficient or excessive order volumes, which in turn may necessitate future sales with lower margins. This risk is mitigated by optimising purchase orders: reducing the number of colour options, focus on the fastest-moving categories, increased depth of replenishment orders, as well as phasing and sequencing of order deliveries to warehouses;	➢ monthly budget revisions, ➢ increasing the volume of year-round products, reducing seasonal stocks, ➢ increasing the number of NOOS (Never Out Of Stock) items, products, splitting of orders into several lots.
Risk of termination of contracts with key suppliers	In the course of its business, the Group works with a number of suppliers of third-party brands (including: Adidas, Champion, etc.). If any of these supplier relationships are terminated, the attractiveness of the Group's commercial offering could deteriorate, which in turn could result in an outflow of customers. This risk is mitigated by maintaining long-standing relationships with suppliers and diversifying the supplier base.	➢ the portfolio of suppliers of third-party brands allows the Group to make portfolio shifts and fill any potential gaps, ➢ development of proprietary brands – in terms of products and marketing (brand awareness), ➢ long-term experience in building business partnerships, besides CCC, the Group includes Modivo – a strategic partner to suppliers given the unique omnichannel concept.

Liquidity risk	The Group's business is partly financed with external capital, e.g. raised through credit facilities or bonds. Such instruments are subject to a number of requirements/covenants. Their potential breaches could accelerate repayment of such liabilities in whole or in part. If any such acceleration trigger materialises rendering those liabilities immediately due and payable, the structure of the Group's balance sheet and its liquidity position could materially deteriorate. This risk is minimised through the capital accumulation plan (e.g. working capital improvement, investor in HP, profitability improvement with a deleveraging effect), strong relationships maintained with banks, etc.	➢ the risk is minimised in the budgeting and performance monitoring process by matching available capital to liquidity requirements, ➢ implementation of liquidity improvement projects (e.g. to improve working capital by reducing inventory turnover, extending the average payment period), ➢ The Company seeks to deleverage the business mainly through improved operating profitability and cost reduction.
Trade credit risk	Some wholesale operations are conducted on a deferred payment basis, which exposes the Group to the risk of financing its customers. In order to maintain the leading position on the footwear market, the Group uses trade credit to additionally increase its attractiveness to wholesale trading partners. The source of this risk lies in uncertainty as to whether and when amounts due to the Company will be settled.	➢ ongoing checks of customers' financial condition; ➢ ongoing checks of customers' credit history.
Currency risk	The CCC Group companies generate revenue in PLN, EUR, CZK, HUF, HRK, BGN, RSD and most of its costs are denominated in foreign currencies. This means the CZK, HUF, HRK, BGN, RSD, CHF, USD and EUR exchange rates (virtually all imports are denominated in USD and EUR, and a large percentage of rental costs is denominated in EUR) will affect the Group's income and expenses. The key supply market for the Group is the Chinese market and, consequently, the exchange rate of CNY against major global currencies may also have a significant impact on the Group's expenses. A stronger CNY may lead to deterioration in import terms and increase costs for consumers.	➢ hedging of foreign exchange risk, mainly for USD-denominated purchases, ➢ implementation of a natural hedging strategy for EUR, continuous monitoring of movements in currency exchange rates relevant to the Group.
Interest rate risk	The CCC Group is exposed to interest rate risk as a result of concluded credit facility agreements, which bear interest at floating rates based on WIBOR or BLR. An increase in interest rates will affect the amount of interest paid on bank borrowings.	➢ diversification of capital sources, ➢ monitoring of key interest rates.
Risk related to overall economic conditions	The CCC Group operates primarily in the Polish, Czech, Hungarian, Slovak and Romanian markets, so the purchasing power of consumers in these markets and their propensity to consume are important factors to the Group. Any deterioration of the economic conditions may have an adverse effect on the Group's operating results and financial standing. The CCC Group also operates in several other foreign markets (including Croatia, Slovenia, Bulgaria, and Serbia).	➢ diversifying its operations in terms of countries in which it is present (reducing the correlation of economic situation between countries); ➢ monitoring the economic situation globally and in the countries relevant to the Group, and adjusting the Group's strategy accordingly, ➢ monitoring important economic indicators in selected countries (unemployment rate, GDP per capita, CPI).
Seasonality of sales and weather conditions	Sales and the value of inventories depend on seasonal movements in demand (with peak demand in spring and autumn). Disruptive weather conditions can result in customers postponing purchasing decisions or in a shortened peak sales season.	➢ The Group mitigates the risk of weather conditions impacting its sales chiefly by increasing the proportion of year-round products in its portfolio, including sports shoes marketed under its proprietary brand Sprandi and under recognisable third-party brands.
Risk of lockdown (government-imposed restrictions on offline retail)	The events of the first half of 2020 revealed the risk of government-imposed lockdowns on an unprecedented scale (in Poland, the EU and globally). The lockdown restrictions led to suspension of offline store operations, which translated into lower revenue.	➢ The Group took steps to mitigate this risk by developing a comprehensive business stabilisation plan, covering the operational, financial and strategic domains. The key measures included steps taken to secure continuity of the Group's operating processes in an environment of widespread remote working, to strengthen e-commerce logistics processes, to accelerate the launch of e-commerce platforms in new markets, to enter into negotiations with landlords to adjust the lease terms to the circumstances and the expected decline in footfall once the stores are reopened, and to apply for and receive support from available public assistance programmes subsidising labour and other costs. In terms of financing, the Company held negotiations with bondholders, banks and financing institutions with a view to securing the stability of its long-term funding, and issued new shares to raise additional capital to fund the Group's business and, in particular, for orders of collections for future seasons.

12. CORPORATE GOVERNANCE STATEMENT

This 2023 Corporate Governance Statement of CCC S.A. has been prepared pursuant to Par. 70.6.5 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 29 March 2018.

12.1 CORPORATE GOVERNANCE RULES APPLICABLE TO THE COMPANY IN 2023

By Resolution No. 13/1834/2021 of 29 March 2021, the Warsaw Stock Exchange Supervisory Board adopted a new set of corporate governance principles for companies listed on the WSE Main Market – the Code of Best Practice for WSE Listed Companies 2021 ("Code of Best Practice 2021"). The Code of Best Practice 2021 entered into force on 1 July 2021 and has been applied by CCC S.A. since its effective date.

The Code of Best Practice is a set of corporate governance principles and rules of conduct underpinning the relations of listed companies with their market environment. The document was developed by experts comprising the WSE Corporate Governance Committee, representing interests of various groups of capital market participants. The corporate governance code in effect since July 2021 consists of general principles, indicating goals to be pursued by companies in a given area, as well as specific principles subject to disclosure obligations. The Company's Management Board has exercised due care to ensure compliance with the Code of Best Practice 2021.

The Code of Best Practice is published on the official website of the Warsaw Stock Exchange dedicated to corporate governance principles: https://www.gpw.pl/dobre-praktyki2021.

12.1.1 Disclosure policy, investor communications

In the interest of all market participants and their own interest, listed companies ensure quality investor communications and pursue a transparent and fair disclosure policy.

CCC S.A. runs a corporate website, which is a reliable and useful source of information on the Company for capital market participants. It features an investor relations section designed specifically for the Company's shareholders, investors and stock market analysts (https://corporate.ccc.eu/relacje-inwestorskie). It provides transparent, reliable and complete content to enable investors and analysts to make informed decisions. The corporate website is available in Polish and English.

The CCC Group ensures equal access to information on the Company through strict compliance with disclosure obligations that arise from its presence on a regulated market, application of corporate governance rules and use of best market standards and practices to communicate with capital market participants.

The activities taken under the disclosure policy are addressed to particular capital market participants, including retail and institutional investors, shareholders, regulated market entities (the Financial Supervision Authority and the Warsaw Stock Exchange), and stock market analysts.

In order to properly discharge its disclosure obligations, CCC S.A. publishes:

1) information required under the laws applicable to companies listed on the WSE and under the Code of Best Practice for WSE Listed Companies 2021;
2) financial results and periodic reports within the time limits prescribed under applicable laws. The Company seeks to ensure that its financial results and periodic reports are published in the shortest possible time;
3) communications concerning major events affecting the price of Company shares immediately upon their occurrence, unless otherwise required by law;
4) communications concerning material related-party transactions, in accordance with applicable laws.

The tools used to communicate with capital market participants include, without limitation:

1) Electronic Information Transmission System (ESPI) – used to discharge disclosure obligations arising from the fact that Company shares are traded on a regulated market;
2) Electronic Information Base (EIB) – used for distribution of corporate governance reports;
3) Investor Relations section of the corporate website (http://firma.ccc.eu/pl/3,relacje-inwestorskie.html), containing all relevant information on the Company, including current reports, presentations, financial statements, information on the Company's governing bodies, current shareholding structure, contact details, etc.;
4) live broadcasts of earnings conferences for investors, analysts and the media held after the publication of financial results (video recordings of earnings conferences are available on the Investor Relations site);
5) conference calls for domestic and foreign investors and analysts;
6) meetings of representatives of the Management Board and the Investor Relations team with retail and institutional investors and analysts, including Open Days and Investors' Days held at the Company's registered office;
7) participation of representatives of the Management Board and the Investor Relations team in investor conferences in Poland and abroad;
8) ensuring the Investor Relations team is available to capital market participants by phone and electronic means of communication. The Company strives to answer all queries as soon as practicable but not later than within three (3) business days of their receipt. The processing time may be extended in well justified cases and in circumstances that are beyond the Company's control;
9) posting materials relating to General Meetings, including video recordings, on the Investor Relations site.
10) The Investor Relations website at https://corporate.ccc.eu/relacje-inwestorskie is periodically reviewed and updated so that the content best meets the information needs of capital market participants.

Investor Relations

The Investor Relations Office of the CCC Group is responsible for the implementation of the Group Disclosure Policy (see 'Disclosure Policy of the CCC Group'), whose aim is mainly to ensure equal access to information and effective communication and to build confidence among capital market participants, particularly retail and institutional investors from Poland and abroad. The persons responsible for investor relations use best communication practices in line with expectations and best practices applied in international markets, as demonstrated by the '10 Out of 10 – Investor Friendly Company' certificate awarded by the Association of Retail Investors in an awards programme held under the honorary patronage of the 'Shareholder Democracy. Informed Investments' educational campaign.

In connection with the disclosure policy, the Company applies the following principles of the Code of Best Practice 2021:

1.1. Companies maintain efficient communications with capital market participants and provide fair information about matters that concern them. For that purpose, companies use diverse tools and forms of communication, including in particular the corporate website where they publish all information relevant for investors.

The principle is applied by the Company.

In order to properly discharge its disclosure obligations, CCC S.A. publicly communicates all information required to be published under the laws applicable to companies listed on the WSE and pursuant to the Code of Best Practice for WSE Listed Companies, its financial results and periodic reports within the time limits set by applicable laws, and communications concerning major events affecting the price of Company shares immediately upon their occurrence, unless otherwise required by law.

Described below are the tools used to communicate with capital market participants.

1.2. Companies make available their financial results compiled in periodic reports as soon as possible after the end of each reporting period; should that not be feasible for substantial reasons, companies publish at least preliminary financial estimates as soon as possible.

The principle is applied by the Company. The Company publishes periodic reports as soon as possible and presents preliminary financial data.

1.3. Companies integrate ESG factors in their business strategy, including in particular:

1.3.1 environmental factors, including measures and risks relating to climate change and sustainable development;

The principle is applied by the Company.

1.3.2. social and employee factors, including among others actions taken and planned to ensure equal treatment of women and men, decent working conditions, respect for employees' rights, dialogue with local communities, customer relations.

The principle is applied by the Company.

The relevant strategy was published on the corporate website. It sets out the objectives for 2025 and the Company's ambitions until 2030 concerning products, the environment, its employees and society. https://corporate.ccc.eu/raporty-i-polityki.

1.4. To ensure quality communications with stakeholders, as a part of the business strategy, companies publish on their website information concerning the framework of the strategy, measurable goals, including in particular long-term goals, planned activities and their status, defined by measures, both financial and non-financial. ESG information concerning the strategy should among others:

1.4.1. explain how the decision-making processes of the company and its group members integrate climate change, including the resulting risks;

The principle is applied by the Company.

1.4.2. present the equal pay index for employees, defined as the percentage difference between the average monthly pay (including bonuses, awards and other benefits) of women and men in the last year, and present information about actions taken to eliminate any pay gaps, including a presentation of related risks and the time horizon of the equality target.

The principle is applied by the Company.

For more information, see the Non-Financial Report published on the Company's corporate website. https://corporate.ccc.eu/raporty-i-polityki.

1.5. Companies disclose at least on an annual basis the amounts expensed by the company and its group in support of culture, sports, charities, the media, social organisations, trade unions, etc. If the company or its group pay such expenses in the reporting year, the disclosure presents a list of such expenses.

The principle is applied by the Company. For more information, see the Non-Financial Report published on the Company's corporate website. https://corporate.ccc.eu/raporty-i-polityki.

1.6. Companies participating in the WIG20, mWIG40 or sWIG80 index hold on a quarterly basis and other companies hold at least on an annual basis a meeting with investors to which they invite in particular shareholders, analysts, industry experts and the media. At such meetings, the management board of the company presents and comments on the strategy and its implementation, the financial results of the company and its group, and the key events impacting the business of the company and its group, their results and outlook. At such meetings, the management board of the company publicly provides answers and explanations to questions raised.

The principle is applied by the Company. CCC S.A. holds meetings with investors and analysts after the release of periodic reports and ad hoc meetings in response to investors' and analysts' needs.

1.7. If an investor requests any information about the Company, it replies immediately and in any case no later than within 14 days.

The principle is applied by the Company. The Company strives to answer all queries as soon as practicable but not later than within seven days of their receipt. The processing time may be extended in well justified cases and in circumstances that are beyond the Company's control;

12.1.2 Management Board and Supervisory Board

To ensure top standards of the responsibilities and effective performance of the management board and the supervisory board of a company, only persons with the adequate competences, skills and experience are appointed to the management board and the supervisory board.

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Management board members act in the interest of the company and are responsible for its activity. The management board is responsible among others for the company's leadership, engagement in setting and implementing its strategic objectives, and ensuring the company's efficiency and safety.

Supervisory board members acting in their function and to the extent of their responsibilities on the supervisory board follow their independent opinion and judgement, including in decision making, and act in the interest of the company.

The supervisory board functions in the spirit of debate and analyses the position of the company in the context of the sector and the market on the basis of information provided by the management board of the company and via the company's internal systems and functions and obtained from external sources, using the output of its committees. The supervisory board in particular provides opinions on the company's strategy, evaluates the work of the management board in pursuit of defined strategic objectives, and monitors the company's performance.

Composition and operation of the Company's Management and Supervisory Boards and their committees

MANAGEMENT BOARD

As at 1 February 2023, the Management Board of the Company comprised the following members:

Full name of Management Board Member	Position held
Marcin Czyczerski	President
Karol Półtorak	Vice President
Adam Holewa	Vice President
Igor Matus	Vice President

On 11 May 2023, Marcin Czyczerski resigned as President and Member of the Company's Management Board, with effect as of 11 May 2023, due to his appointment as President of the Management Board of Modivo S.A.

On 11 May 2023, Dariusz Miłek resigned as Chairman and member of the Company's Supervisory Board, with effect from 11 May 2023. The reason for his resignation was that on 11 May 2023 he was appointed by the Supervisory Board as President of the Company's Management Board, with effect from 12 May 2023.

As the process to change the CCC Group's business model was completed and the Modivo Group entered a next phase of growth, the two companies appointed new CEOs with expertise that best matches the current needs.

On 6 June 2023, Adam Holewa resigned as Vice President and member of the Company's Management Board, with effect from 12 June 2023.

As at 31 January 2024 and the issue date of this Report, the Management Board of the Company consisted of:

Full name of Management Board Member	Position held
Dariusz Miłek	President of the Management Board
Karol Półtorak	Vice President of the Management Board
Igor Matus	Vice President of the Management Board

Dariusz Miłek
PRESIDENT OF THE MANAGEMENT BOARD

Appointed President of the Management Board on 11 May 2023

In 1993–2003, Dariusz Miłek conducted business activities under the name MIŁEK in Lubin and, from 1995, in Chróstnik. In 1999–2004, he worked at CCC Sp. z o.o. of Polkowice as its registered attorney and, from 2002, as President of the Management Board. From 15 June 2004 to 11 April 2019, he served as President of the Management Board of CCC S.A. Winner of coveted management awards. In 2007, he received the title of Entrepreneur of the Year 2007 and was given the opportunity to represent Poland in the World Entrepreneur of the Year in Monte Carlo. In 2014, he was awarded the Kisiel Award in the entrepreneur category. Winner of the Bulls and Bears award from Gazeta Parkiet as the CEO of the Year 2014. Awarded the title of Free Poland Sports Ambassador.

Karol Półtorak
VICE PRESIDENT OF THE MANAGEMENT BOARD

Appointed Vice President of the Management Board on 1 December 2016.

In 2014–2016, he served as Vice President of the Warsaw Stock Exchange.

Previously, he worked for the Citibank Group as Vice President of the Management Board of Dom Maklerski Banku Handlowego (2011–2014), Director at UniCredit CAIB in Warsaw and London (2000–2011), and for PwC (1999–2000), Deutsche Bank Securities (1999) and Grant Thornton in London (1998).

Currently, he is also a member of the Supervisory Board of Modivo S.A. (formerly eobuwie.pl S.A.). Previously, he served on the Supervisory Boards of Krajowy Depozyt Papierów Wartościowych S.A. and Centrum Giełdowe S.A., among other companies.

He graduated from the Warsaw School of Economics and University of Derby and completed numerous executive education courses (1998).

Igor Matus
VICE PRESIDENT OF THE MANAGEMENT BOARD

Appointed Vice President of the Management Board on 7 June 2021.

Igor Matus graduated from the Faculty of Biotechnology of the Wrocław University of Environmental and Life Sciences (M.Sc. degree), and from the Faculty of Management of the Wrocław University of Economics (M.A. degree).

He is an experienced manager, having worked for Nestle (2004–2007), Mondelez (2007–2018) and Beiersdorf (2018–2021), where he performed operational functions in the Supply Chain (as Operations Manager, Plant Manager, and Regional Poland–Russia Business Development Manager). From 2018 to 2021, he managed Beiersdorf Polska Sp. z o.o., serving as the company’s President.

Igor Matus has experience in managing the Supply Chain area and strategic projects aimed at enhancing financial liquidity of companies.

Non-competition and personal interests

A Management Board member may not engage in any business activities competing with the Company's business, be a partner in any competing civil-law or other type of partnership, or serve on a governing body of any corporation or other legal entity competing with the Company if he or she holds 10% or more of the Company's shares, without prior consent from the General Meeting.

In the event of a conflict of interests between the Company and a Management Board member, his or her spouse, persons related to him or her through blood or marriage in the first or second degree, or any persons to whom the Management Board member is personally related, the Management Board member should refrain from participating in the resolution of a given matter, and may request that this be recorded in the minutes of the Management Board meeting.

Organisation of the Management Board's work

The Company's business is managed by the Management Board, which directs the Company's business, represents it in dealings with third parties, performs activities required under civil law, makes decisions concerning the Company's affairs in accordance with applicable laws, and assumes responsibility for such decisions, except for any matters reserved for the General Meeting or the Supervisory Board under the Commercial Companies Code and the Company's Articles of Association.

The Management Board has authority over all matters of CCC S.A. which are not reserved for other governing bodies of the Company under the Commercial Companies Code or the Articles of Association. All Management Board members are authorised and obliged to manage CCC S.A.'s affairs, direct all activities of the Company, represent it in dealings with third parties and manage its assets. The Management Board is required to exercise due care in managing the Company's assets and affairs and to comply with the law, the Articles of Association, the Rules of Procedure for the Management Board and the resolutions passed by the Supervisory Board and the General Meeting, which are binding on the Management Board pursuant to applicable laws or the Articles of Association.

The Management Board is headed by the President of the Management Board, who directs all aspects of the Company's business in compliance with applicable laws and resolutions of the Company's governing bodies, and supervises the performance of tasks assigned to individual members of the Management Board.

In the absence of the President of the Management Board, the chair will be taken by the Vice President of the Management Board or Director designated by the President.

The Management Board members perform their duties in person.

The powers and responsibilities of Management Board members in matters falling within the ordinary course of business have been divided into areas, each of them led by the individual Management Board members.

A relevant scope of responsibilities has been assigned to each Management Board member as part of their respective remits.

Rules governing the appointment and removal of management personnel and their powers, including decision-making powers to issue or buy back shares

The Company's Management Board consists of one to seven members, including the President. The other members serve as Vice Presidents. Members of the Management Board are appointed for a joint three-year term of office. The Company's Management Board or its individual members are appointed and removed from office by the Supervisory Board.

In addition, members of the Management Board may at any time be removed or suspended from office by the Supervisory Board and by the General Meeting before the expiry of their term of office. The Supervisory Board may delegate Supervisory Board members to temporarily perform the duties of Management Board members.

In order to tender their resignation to the Company, a Management Board member must submit a letter or statement of resignation to one Management Board member or the Company's registered attorney. A Management Board member must also notify the Chair of the Supervisory Board of the resignation.

Members of the Company's Management Board are appointed and removed by the Supervisory Board. The Company's Management Board consists of one to seven members, including the President. The other members serve as Vice Presidents. Members of the Management Board are appointed for a joint three-year term of office.

The powers and rules of procedure for the Management Board of CCC S.A. are set out in the following regulations:

1) Commercial Companies Code;
2) Articles of Association of the Company, available on the Company's website (https://corporate.ccc.eu/lad-korporacyjny);
3) Rules of Procedure for the Management Board, available on the Company's website (https://corporate.ccc.eu/lad-korporacyjny);
4) Chart showing the division of responsibility for particular areas of the Company's operations among the Management Board members (https://corporate.ccc.eu/wladze-ccc).

The powers and responsibilities of the Management Board:

1) establishing internal rules and regulations of the Company;
2) submitting proposals on allocation of profit and coverage of loss to the Supervisory Board;
3) entering into employment contracts with the Company's employees other than Management Board members;
4) granting commercial powers of attorney;
5) passing resolutions to establish and close Company branches;
6) submitting proposals on any other matters to the Supervisory Board and the General Meeting;
7) calling General Meetings.

The Management Board is required to perform all its duties and obligations prescribed by applicable laws and the Company's Articles of Association. The President of the Management Board directs the work of the Management Board, particularly by coordinating, supervising and organising the work of individual Management Board members.

A Management Board member may raise any matter falling within the scope of powers of the Management Board for consideration at a Management Board meeting and may request that a Management Board meeting be called for that purpose.

New shares may be issued subject to a resolution of the Company's General Meeting, and a new share issue results in an increase in the Company's share capital. The rules applicable to new share issues and share buybacks are laid down in the Commercial Companies Code and the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies.

Management Board meetings

The Management Board meets on an as needed basis. Other invited persons may attend Management Board meetings subject to consent of all Management Board members. Management Board meetings are called and chaired by the President of the Management Board or, in his or her absence, a Vice President of the Management Board.

Also, the President of the Management Board is required to call a meeting at a written request of another Management Board member. In such a case, the meeting should be held within seven (7) days of the date of request, unless the requesting party sets a different time limit.

Rules governing amendments to the Company's Articles of Association

Any amendments to the Articles of Association are governed by the applicable provisions of the Commercial Companies Code.

Amendments to the Articles of Association require a resolution of the General Meeting adopted by a majority of ¾ of the votes and an entry to the National Court Register. When authorised to do so by the General Meeting, the Supervisory Board of the Company may determine the consolidated text of the amended Articles of Association or make other editorial changes specified in the respective resolution of the General Meeting.

A resolution to amend the Articles of Association takes effect from the date of entry in the Business Register.

As at 1 February 2023, the division of remits was as follows:

As at 31 January 2024 and the issue date of this Report, the division of remits was as follows:

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SUPERVISORY BOARD

As at 1 February 2023, the Supervisory Board of the Company comprised the following members:

Full name of Supervisory Board Member	Position held
Dariusz Miłek	Chair of the Supervisory Board (appointed on 11 April 2019)
Wiesław Oleś	Deputy Chair of the Supervisory Board (Chair of the Supervisory Board appointed on 24 June 2015/Deputy Chair of the Supervisory Board appointed on 9 May 2019)
Filip Gorczyca	Member of the Supervisory Board (appointed on 11 April 2019), Chair of the Audit Committee
Zofia Dzik	Member of the Supervisory Board (appointed on 18 June 2019), member of the Audit Committee
Mariusz Gnych	Member of the Supervisory Board (appointed on 15 June 2022), member of the Audit Committee

As at 31 January 2024 and the issue date of this Report, the Supervisory Board of the Company consisted of:

Full name of Supervisory Board Member	Position held
Wiesław Oleś	Chair of the Supervisory Board (appointed on 12 June 2023)
Mariusz Gnych	Deputy Chair of the Supervisory Board (appointed on 12 June 2023), member of the Audit Committee
Filip Gorczyca	Member of the Supervisory Board (appointed on 11 April 2019), Chair of the Audit Committee
Zofia Dzik	Member of the Supervisory Board (appointed on 18 June 2019), member of the Audit Committee
Piotr Kamiński	Member of the Supervisory Board (appointed on 12 June 2023)
Marcin Stańko	Member of the Supervisory Board (appointed on 12 June 2023)

Wiesław Oleś,
CHAIR OF THE SUPERVISORY BOARD

Appointed to the Supervisory Board on 24 June 2015.

Wiesław Oleś founded the law firm Kancelaria Radców Prawnych Oleś, Rysz, Sarkowicz sp.k. and Forum TFI S.A. He holds a degree in Law from the Faculty of Law and Administration of the Jagiellonian University of Kraków. Following completion of legal training as a judge, he passed a judge examination in 1991, and he obtained a licence to practise as a legal counsel in 1993. After completing his studies, he was a member of the board of the Regional Audit Chamber in Kraków, a consultant of the United States Agency for International Development (USAID) programmes, collaborating with Harvard Institute for International Development, and a member of the Board of the Lesław Paga Foundation. He practises law with the law firm Kancelaria Radców Prawnych Oleś & Rodzynkiewicz, specialising in capital markets and investment funds. His previously held positions include serving as Chair of the Supervisory Board and President of the Management Board of Forum TFI S.A. At present, he also serves as Chair of the Supervisory Boards of Black Red White S.A. and Raport S.A. and as member of the Supervisory Board of CPD S.A.

Filip Gorczyca
MEMBER OF THE SUPERVISORY BOARD

Appointed to the Supervisory Board on 11 April 2019.

Member of the Board of the Association of Independent Supervisory Board Members. Member of the Supervisory Boards of: PZU, CCC, Ferro, Develia and Artifex Mundi. In 2020–2021 – Member of the Supervisory Board of Protektor, and in 2017–2019 – Chairman of the Supervisory Board and Member of the Audit Committee of Money Makers TFI. In 2017–2019, serving as Vice President of the Management Board and CFO of Alior Bank. Then in 2020–2021, Member of the Management Board of Luma Holding Ltd., a private equity fund. In 2016–2017, he served as Senior Investment Director of the Medicover Group, where he was responsible for an initial public offering of shares that was successfully completed on the Stockholm Stock Exchange, among other projects. In 2004–2016, he worked for PwC, the international advisory services firm, where he was Deputy Director in charge of capital market services in Central and Eastern Europe. He completed management programmes at Harvard Business School and Singularity University and holds a degree in Finance and Banking from the Warsaw School of Economics. He holds a licence to practise as a statutory auditor and an ACCA certificate (FCCA).

Zofia Dzik
MEMBER OF THE SUPERVISORY BOARD

Appointed to the Supervisory Board on 18 June 2019.

She graduated from the Cracow University of Economics, University of Illinois in Chicago, SWPS University of Social Sciences and Humanities in Warsaw. She completed Executive Programmes in Stanford and INSEAD Business School. She holds an MBA degree from Manchester Business School. Mentor, certified member of the Association for Project Management (APMP), explorer of leadership themes and certified member of The John Maxwell Team, a renowned international leadership, coaching, speaking, and training development organisation. In 1995–2003, consultant at Arthur Andersen and Andersen Business Consulting, Head of the Insurance Department, also responsible for projects in the financial services sector, covering strategy, business scalability, mergers, omnichannel, reorganisation, and finance. From 2003, she worked for the fintech company Intouch Insurance Group (RSA Group), where she served as President of the Management Board of CEE's first direct insurance company Towarzystwo Ubezpieczeń Link4 S.A. (start-ups, brand building, CRM, process automation, individual risk assessment, new technologies, agile, innovative distribution channels, leadership, people at work, talent management, succession planning) in 2004–2007. In 2007–2009, she was a member of the Management Board of Intouch Insurance B. V. in the Netherlands and CEO of the Intouch Insurance Group for Central and Eastern Europe. In the latter position, she was responsible for new market development. She served on the Supervisory Boards of TU Link4 S.A. (Member of the Supervisory Board until July 2015) and Direct Insurance Shared Services Center in Poland, Intouch Strachowanie in Russia (a start-up) and Direct Pojistovna in the Czech Republic (a start-up), and she was Deputy Chair of the Supervisory Board of TU na Życie Link4 Life S.A. In 2006–2008, she was a member of the Management Board of the Polish Insurance Chamber. In 2007–2010, she served on the Supervisory Board of the Insurance Guarantee Fund. In 2010−2016, she was an independent member of the Supervisory Boards of the following companies: KOPEX S.A., a mining equipment manufacturer, Polish Energy Partners S.A. (PEP S.A.), a renewable energy company, 2014–2016 FSCD (Digital University), 2015–2016 a member of the Supervisory Board and Audit Committee of AmRest SE, a leading QSR operator in Europe with over 1,000 restaurants, own brands and Starbucks, Pizza Hut and KFC franchises; 2012–2016 PKOBP S.A., a leading universal bank in CEE, where she also served as Deputy Chair of the Audit and Nomination Committees and a member of the Risk Committee; 2015–2017 InPost, a courier services provider and parcel locker operator, where she also served as Chair of the Audit Committee, 2011–2018 ERBUD S.A., Poland's leading construction company. Benefit Systems S.A., an innovative employee benefit services and sports infrastructure operator. 2018–2021 Sanok Rubber S.A., an international manufacturer of rubber goods. From 2010, investor and social innovator, President of the Management Board of Humanites, a think&do social tank, combining humanities and technology, whose objective is to provide systemic support for social transition, social capital building, and qualitative development of society in four areas: Family, Education, Work Environment and the World of Culture and Media, mentor, author of the Cohesive Leadership™ model, a development programme for leaders building committed organisations giving employees room to lead an integrated life and stimulating internal motivation. Founder and director of the Academy of Leadership for Leaders in Education. Currently, an independent member of the Supervisory Boards of the following companies: BRW S.A., a leading manufacturer and distributor of furniture in Poland and Europe (Deputy Chair), PKP CARGO S.A., a leading logistics operator and freight carrier in Europe (a member of the Audit Committee, Chair of the Nomination Committee), Arctic Paper S.A. (a member of the Audit Committee). Member of the IDEAS NCRB Scientific Board and the Wrocław University of Technology Social Council.

Mariusz Gnych
MEMBER OF THE SUPERVISORY BOARD

Appointed to the Supervisory Board on 15 June 2022.

He completed doctoral studies at the Wrocław University of Economics and Business. Earlier, he had graduated from the Faculty of Computer Science and Management of the Wrocław University of Technology (field of study: Organisation and Management), from the WSB University in Poznań (Tax Consultancy), and from the Faculty of Law and Administration of the University of Wrocław (Investment Law).

He has been involved with the CCC Group since 2000, including as President of the Management Board of CCC Factory Sp. z o.o. (appointed in 2004) and Member of the Management Board of CCC S.A. (appointed Vice President in 2007).

Previously, he was Deputy Mayor of the Polkowice Municipality, and he served on the Management Board of Polkowickie Budownictwo Mieszkaniowe Sp. z o.o. and Przedsiębiorstwo Gospodarki Miejskiej Sp. z o.o. Mariusz Gnych is licensed to serve on the supervisory boards of state-stock companies.

Piotr Kamiński
MEMBER OF THE SUPERVISORY BOARD

Appointed to the Supervisory Board on 12 June 2023.

Piotr Kamiński graduated from the Faculty of Management, University of Warsaw, as well as completing the Tempus CUBIS postgraduate programme in management, organised jointly by the Universities of Milan, Amsterdam, and Leuven (1994) He is also an alumnus of the Advance Management Program at IESE Business School, University of Navarra in Barcelona (2007).

In 1992–2000, Mr. Kamiński served as Head of the Public Companies and Finance Department of the Polish Securities and Exchange Commission. In 2000–2003, he was Vice President of the Management Board of the Warsaw Stock Exchange. During this time, he also chaired the Supervisory Board of Centralna Tabela Ofert S.A. In March 2003, he was appointed Member of the Management Board of PKO Bank Polski S.A. for corporate banking. He served in that capacity until March 2006. He was also actively engaged in the process to restructure the Bank and prepare and launch its IPO. as well as chairing the Supervisory Board of Bankowy Fundusz Leasingowy S.A. In 2006–2009, Mr. Kamiński led Bank Pocztowy S.A. as President of its Management Board, overseeing its major restructuring. In 2005, he was appointed Member of the Supervisory Board of the Warsaw Stock Exchange and in 2006–2008 served as its Chair. In 2010–2011, he was Member of the Supervisory Board and the IPO Committee of PZU S.A. During his term, the PZU S.A. saw the resolution of its long-standing dispute with Eureko and the launch of its IPO. In 2011–2013, he was Member of the Management Board of Totalizator Sportowy Sp. z o.o. for finance and its acting President of the Management Board. During his term, the company reoriented its strategy towards long-term mobile channel expansion. In 2010–2020, Mr. Kamiński was Independent Member of the Supervisory Board of Budimex S.A. Since 2010, he has sat on the Supervisory Boards of several listed companies, including Immobile S.A., Altus TFI S.A., Sfinks S.A., Workservice S.A., and IdeaBank S.A. In 2020–2022, he was CFO and Vice President of the Management Board of Wielton S.A., Europe's third-largest trailer manufacturer. In 2008–2022, he led the Polish Chapter of the Alumni Association of IESE Business School, University of Navarra in Barcelona.

Currently, he serves as Member of the Supervisory Boards of Wielton S.A., Pamapol S.A., Platige Immage S.A., 4Cell Therapies S.A., the employers' association Fundacja Instytut Pracodawców, and RockBridge TFI S.A. He is President of the Queen Hedvig Scholarship Foundation, offering scholarships to academically excelling Polish high school students, aiming for a successful career in today's competitive global economy. He represents employer associations on the Board of the Polish Agency for Audit Oversight and previously, from 2009, he sat on the Polish Audit Oversight Commission. Since 2006, he has been Treasurer and Vice President of the Board of the Employers of Poland association.

Marcin Stańko
MEMBER OF THE SUPERVISORY BOARD

Appointed to the Supervisory Board on 12 June 2023.

Marcin Stańko stands out as one of Poland's and Europe's most seasoned retail sector managers, specialising in creating and managing the operations of modern retail chains. Over his career spanning more than 25 years, he worked for some of Poland's leading retailers: Jeronimo Martins SGPS S.A. (the company behind the Biedronka discount retail chain and the first owner of Eurocash) and Pepco Group N.V (owner of Pepco, Dealz, and Poundland UK). In 2004–2020, he was instrumental in developing the Pepco concept, successfully expanding it into 12 European countries and serving in various leadership roles at the company, including Chief Operating Officer for CEE, Management Board Member of Pepco's European entities, and Chief Executive Officer at Pepco Lithuania. As COO of Pepco, he led sales, investment, and expansion projects in Central and Eastern Europe and spearheaded the brand's foray into Italy, Spain, and Austria. Following Pepco's successful IPO on the Warsaw Stock Exchange in 2021, he became Chief Business Development Officer for Pepco Group N.V.'s Dealz brand in Poland, in which capacity he was also responsible for devising its European expansion strategy.

Mr. Stańko's extensive experience in the European retail and commercial real estate markets merited his 2019 appointment to the Supervisory Board of Profi Fomfood SLR, Romania's leading FMCG retail company, and his joining in early 2022 MidEuropa, a London-based private-equity fund. Early in 2022, he was also appointed Deputy Chair of the Supervisory Board of Allied Funds Towarzystwo Funduszy Inwestycyjnych S.A.

Mr. Stańko graduated in 1996 from the Faculty of Sales and Marketing, Poznań University of Economics and Business, with a Master's degree in economics, specialising in corporate finance. He also completed the Executive Education, Strategic Planning & Management in Retailing programme at Babson College, Wellesley, USA. In 2000–2021, he was engaged as an attendee, panellist, and subject matter expert in numerous business conferences across Poland and Europe. In 2018, he was nominated for the Manager of the Year award for leading effective expansion and business development in Poland (SCF in Warsaw). Mr. Stańko also contributed substantially to Pepco Poland receiving numerous prestigious awards and recognitions, including Forbes Diamonds, Business Gazelles, Consumer Laurel, and Employer of the Year title.

Rules governing appointment and removal of the Supervisory Board Members

Members of the Supervisory Board of CCC S.A. are appointed for a joint two-year term of office. Individual members of the Management Board and the entire Supervisory Board may be dismissed at any time before the end of the term of office. The General Meeting of CCC S.A. appoints the Chair of the Supervisory Board from among its members. The Supervisory Board of CCC S.A. is composed of five to seven members. Members of the Supervisory Board are appointed and removed from office by the General Meeting. The Annual General Meeting of CCC S.A. appointed the Supervisory Board for a new term on 15 June 2022 and on 12 June 2023 added new members thereto (see Current Report No. 36/2023).

In accordance with the Articles of Association of CCC S.A. and the Code of Best Practice of the WSE Listed Companies, at least two members of the Supervisory Board should meet the independence criteria. Independent members of the Supervisory Board should meet the independence criteria specified in the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017 and set out in the Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board (2005/162/EC), also taking into account the Code of Best Practice for WSE Listed Companies 2021.

The Supervisory Board verified the representations submitted by Supervisory Board members on meeting the independence criteria:

- following appointment by the Annual General Meeting on 15 June 2022 of the five-member Supervisory Board of a new term, at its meeting on 3 August 2022 the Supervisory Board assessed its members' representations on meeting the independence criteria and passed Resolution No. 02/08/2022/RN to determine the number of Supervisory Board members meeting the independence criteria, stating that two out of the five Supervisory Board members met the independence criteria. During their service in 2022, members of the Supervisory Board of the Company reported no changes in their independence status or personal, factual and organisational links with CCC S.A.'s shareholders.

- following the addition by the Annual General Meeting on 12 June 2023 of two new members to the Supervisory Board, at its meeting on 12 June 2023 the Supervisory Board assessed its members' representations on meeting the independence criteria and passed Resolution No. 02/06/2023/RN to determine the number of Supervisory Board members meeting the independence criteria, stating that four out of the six Supervisory Board members met the independence criteria. During their service in 2023 and until the date of this Report, members of the Supervisory Board of the Company reported no changes in their independence status or personal, factual and organisational links with CCC S.A.'s shareholders.

Powers and responsibilities of the Supervisory Board

The Supervisory Board takes steps to ensure that the Management Board provides it with regular and exhaustive reports on all matters of importance and risks connected with CCC S.A.'s business, as well as on how the risks are managed. Detailed powers and rules of procedure for the Supervisory Board of CCC S.A. are set out in the following documents:

- Articles of Association of the Company, available on the Company's website (https://www.corporate.ccc.eu/lad-korporacyjny),

- Rules of Procedure for the Supervisory Board, available on the Company's website (https://www.corporate.ccc.eu/lad-korporacyjny),

- Resolutions of the General Meeting,

  (https://corporate.ccc.eu/walne-zgromadzenie-akcjonariuszy),

- Commercial Companies Code and other generally applicable laws.

Operation and organisation of the Supervisory Board

The procedures to be followed by the Supervisory Board are defined in the Company's Articles of Association and Rules of Procedure for the Supervisory Board. The Supervisory Board performs its duties collectively. However, it may delegate certain supervisory duties to its individual members. The Supervisory Board meets on an as needed basis, at least three times in a financial year.

Meetings are called at least at a week's notice, by fax, registered mail or email. Supervisory Board meetings are called by the Chair of the Supervisory Board on his or her own initiative or at the request of other members of the Supervisory Board or Management Board. If such request is submitted to the Chair, a Supervisory Board meeting should be held within two weeks from the date of the request. A resolution of the Supervisory Board may be passed without a formal meeting provided that all Supervisory Board members agree thereto. Each Supervisory Board member may request that a particular matter be included in the agenda of the next Supervisory Board meeting, however the request must be submitted no later than three days prior to the date of the meeting.

The Supervisory Board may only adopt resolutions if at least half of its members are in attendance and all of its members have been invited. Any resolution adopted in contravention of these rules is invalid.

Supervisory Board members may vote on resolutions by written ballot or using means of remote communication. A resolution is valid if all Supervisory Board members have been provided with its draft.

Diversity policy

CCC makes every effort to ensure that the skills, experience, knowledge and diversity of members of its corporate bodies are well balanced. The Company has a diversity policy in place with respect to its governing bodies and is currently working to revise the existing policy by defining the objectives to be pursued by the Company in the coming years. The revised Diversity Policy will be adopted by the Supervisory Board and the General Meeting, respectively.

With respect to the Management Board and the Supervisory Board, the Company complies with the following principles of the Code of Best Practice 2021:

2.1. Companies should have in place a diversity policy applicable to the management board and the supervisory board, approved by the supervisory board and the general meeting, respectively. The diversity policy defines diversity goals and criteria, among others including gender, education, expertise, age, professional experience, and specifies the target dates and the monitoring systems for such goals. With regard to gender diversity of corporate bodies, the participation of the minority group in each body should be at least 30%.

The principle is applied by the Company.

The Company has a diversity policy in place applicable to its governing bodies, which sets out diversity goals and criteria. The adopted diversity policy aims to prevent discrimination at work, and to build a corporate culture open to staff diversity (applying also to members of the Management Board and Supervisory Board). The diversity policy is published on the corporate website (https://corporate.ccc.eu/raporty-i-polityki). The Company is also working to revise its existing policy by updating the objectives to be pursued by the Company in the coming years. The revised Diversity Policy will be adopted by the Supervisory Board and the General Meeting, respectively.

2.2. Decisions to elect members of the management board or the supervisory board of companies should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among others in order to achieve the target minimum participation of the minority group of at least 30% according to the goals of the established diversity policy referred to in principle 2.1.

The principle is applied by the Company.

Persons taking decisions on the election of members of the Management Board or Supervisory Board make every effort to ensure that the skills, experience, knowledge and diversity of members of its corporate bodies are well balanced. Decisions concerning any changes in the composition of the Company's governing bodies are made based on the Company's current needs and objective criteria, covering primarily professional competence, education and work experience, taking into account the need to ensure comprehensive and diverse composition of the governing bodies. The Company has a diversity policy in place applicable to the Company's governing bodies. The Company is also working to revise its existing policy by updating the objectives to be pursued by the Company in the coming years.

2.3. At least two members of the supervisory board meet the criteria of being independent referred to in the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017, and have no actual and material relations with any shareholder who holds at least 5% of the total vote in the company.

The principle is applied by the Company.

Candidates for Supervisory Board members are required to provide the Company with written representations to the effect that they meet the independence criteria prescribed in the Code of Best Practice for WSE Listed Companies and other applicable laws. After each election or change in its composition made by the General Meeting, the Supervisory Board adopts a resolution stating how many of its members meet the independence criteria and reasons for granting them the independence status.

2.4. The supervisory board and the management board vote in an open ballot unless otherwise required by law.

The principle is applied by the Company.

2.5. Members of the supervisory board and members of the management board who vote against a resolution may have their dissenting vote recorded in the minutes.

The principle is applied by the Company.

2.6. Functions on the management board of a company are the main area of the professional activity of management board members. Management board members should not engage in additional professional activities if the time devoted to such activities prevents their proper performance in the company.

The principle is applied by the Company.

2.7. A company's management board members may sit on corporate bodies of companies other than members of its group subject to the approval of the supervisory board.

The principle is applied by the Company.

2.8. Supervisory board members should be able to devote the time necessary to perform their duties.

The principle is applied by the Company.

2.9. The chair of the supervisory board should not combine this function with that of chair of the audit committee of the supervisory board.

The principle is applied by the Company.

2.10. Companies allocate administrative and financial resources necessary to ensure efficient functioning of the supervisory board in a manner adequate to their size and financial standing.

The principle is applied by the Company.

2.11. In addition to its responsibilities laid down in the legislation, the supervisory board prepares and presents an annual report to the annual general meeting once per year. Such report includes at least the following:

2.11.1 information about the members of the supervisory board and its committees, including indication of those supervisory board members who fulfil the criteria of being independent referred to in the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017 and those supervisory board members who have no actual and material relations with any shareholder who holds at least 5% of the total vote in the company, and information about the members of the supervisory board in the context of diversity;

The principle is applied by the Company.

2.11.2. summary of the activity of the supervisory board and its committees;

The principle is applied by the Company.

2.11.3. assessment of the company's standing on a consolidated basis, including assessment of the internal control, risk management and compliance systems and the internal audit function, and information about measures taken by the supervisory board to perform such assessment; such assessment should cover all significant controls, in particular reporting and operational controls;

The principle is applied by the Company.

2.11.4. assessment of the company's compliance with the corporate governance principles and the manner of compliance with the disclosure obligations concerning compliance with the corporate governance principles defined in the Exchange Rules and the regulations on current and periodic reports published by issuers of securities, and information about measures taken by the supervisory board to perform such assessment;

The principle is applied by the Company.

2.11.5. assessment of the rationality of expenses referred to in principle 1.5;

The principle is applied by the Company.

2.11.6. information regarding the degree of implementation of the diversity policy applicable to the management board and the supervisory board, including the achievement of goals referred to in principle 2.1.

The principle is applied by the Company.

The Company has declared compliance with the principle as of the effective date of the Code of Best Practice 2021.

12.1.3 Internal systems and functions

Efficient internal systems and functions are an indispensable tool of exercising supervision over a company.

The systems cover the company and all areas of activity of its group which have a significant impact on the position of the company.

Key features of the internal control and risk management systems in preparing financial statements and consolidated financial statements

In preparing its financial statements and consolidated financial statements, the Company applies the following internal control and risk management mechanisms:

1. Principles of supervision over the preparation of financial statements.

Financial statements and consolidated financial statements are prepared in accordance with:

- International Financial Reporting Standards as endorsed by the European Union;
- Accounting Act of 29 September 1994 (consolidated text: Dz. U. of 2021, item 217);
- Articles of Association of CCC S.A.;
- Accounting policies applied by CCC S.A. and rules applied by its subsidiaries;
- Internal accounting procedures.

CCC has in place an accounting policy prepared in accordance with the International Financial Reporting Standards (IFRSs) endorsed by the European Union.

The accounting policy is updated to incorporate any amendments to applicable laws or in the event of material events not previously described in the policy.

Prior to each reporting period, consolidated companies receive detailed guidance from CCC S.A. on the manner and timing of closing their accounting records, preparation and submission of reporting packages, and the up-to-date template of a reporting package for a given period.

The process of preparing financial statements is covered by the internal control and risk management systems, which contribute to ensuring the reliability and accuracy of financial reporting and compliance with internal laws and regulations.

The internal control system consists of:

1) control activities performed by employees of the CCC Group companies with respect to their tasks and responsibilities,
2) functional control provided through supervision of subordinate organisational units by all employees in management positions,
3) control provided by the internal audit function for independent and objective assessment of the risk management and internal control systems.

Risk management in the process of preparing financial statements consists in identifying and assessing relevant risks and then defining and implementing measures to reduce or eliminate them. The process of preparing the Company's financial statements is overseen by Chief Accountant of the CCC Group and by the chief financial executive, who is in charge of the financial and accounting departments.

2. Mechanisms for managing IT systems used for record-keeping and financial reporting, as well as mechanisms designed to ensure their security.

The Company and the Group have appropriate procedures in place to prepare their financial statements, ensuring that all business transactions in a period are completely and properly accounted for. The Company's accounting policy for financial reporting is applied in the process of budgeting, forecasting and periodic management reporting. The financial data underlying the financial statements and periodic reports is compiled by senior and middle management after the accounts for each calendar month have been closed. The Company maintains its accounting records in the SAP system, which supports a comprehensive analysis of all economic and financial aspects, made available to the reasonable extent at all the Company's organisational units. The SAP system has full technical documentation and access to its information resources is determined by relevant authorisations. In preparing consolidated financial statements, the CCC Group companies use the same consolidation system and apply the same presentation rules. The consolidation framework is reviewed whenever there is a change in the shareholding structure. The CCC Group has a system for collecting and processing data obtained from its subsidiaries. The unit responsible for the preparation of the Company's and the Group's financial statements is the Consolidation and Reporting Department. Expert oversight and organisational supervision over the preparation of financial statements are the responsibility of the Head of Accounting of the CCC Group. Financial statements are authorised by the Management Board, and then are audited by an independent auditor and assessed by the Supervisory Board.

3. Principles for the verification and assessment of reports.

The management personnel of individual Group companies are responsible for the preparation of reporting packages to be consolidated. The management are responsible for the preparation and approval of data. In addition, the reporting packages of significant subsidiaries are verified by the parent's reporting team and by an independent auditor. The reporting data of subsidiaries is also analysed by the parent for potential deviations from financial plans and comparative periods.

The CCC Group's Chief Accountant is responsible for the preparation of separate and consolidated financial statements. Independent reviews of the financial statements of the CCC Group and the consolidated companies for reliability and accuracy are performed by external auditors.

The policy for the selection of an audit firm to audit the separate financial statements and the consolidated financial statements of the CCC Group, as well as the procedure for the selection of an auditor to audit the separate financial statements of CCC S.A. and the consolidated financial statements of the CCC Group, ensure their independence from the Company and the Group.

Assessment of the CCC Group's separate and consolidated financial statements is performed by the Supervisory Board based the Audit Committee's recommendation. The financial statements are subject to approval by the General Meeting.

4. Internal audit, enterprise risk management and other elements of control.

The Company has an internal audit function in place to make an independent and objective assessment of the business processes at the CCC Group companies, so as to implement effective and adequate risk management, control and corporate governance systems. The internal audit function operates based on an annual action plan, performing both planned and ad hoc audit tasks ordered by the CCC Management Board at both the parent and the Group companies. The internal audit function supports the CCC Group in achieving its objectives by providing information on the effectiveness of risk management, control and corporate governance processes, and by issuing relevant recommendations. Audit findings and follow-up recommendations, together with their current status, are reported to the Company's Management Board and to the Audit Committee.

As part of control activities, periodic management reports are assessed for the validity of information contained therein, in particular based on an analysis of potential deviations from the financial plans. The risk management process begins at the lowest levels of the Group to ensure that pre-set objectives are met. The risk management process at the CCC Group is overseen by the Management Board and key management personnel. Also, financial and accounting processes are subject to independent internal audits. Proper preparation of financial statements is also verified by members of the Audit Committee. In order to confirm that the data contained in financial statements is correct and consistent with the Company's accounting records, the financial statements are audited by an independent auditor, who then issues an opinion thereon. All actions taken by the Company are designed to ensure compliance with all legal requirements and the facts and to identify and eliminate any potential risks early so that the reliability and accuracy of the presented financial data is not affected.

Risk levels acceptable to the CCC Group

The CCC Group relies on basic criteria for identifying, assessing and determining risk relevance, developed on the basis of the concept of risk tolerance. An important task of the Group's management personnel is to define a strategy and acceptable level of risk that must factor in the amount of risk the Group is willing to accept in order to deliver on its objectives. This level of risk is updated on a regular basis and every time the CCC Group changes its operating strategy.

Scope of the risk management system

Key risk management objectives:

1) to ensure security of the Company's operations;
2) to ensure effective decision-making to maximise profits at acceptable risk levels.

The risk management policy of the CCC Group sets out the relevant assumptions, policies, risk factors and risk mitigation methods to maximise control of risks that could adversely affect the operations of the CCC Group. The policy is mandatory and applied by all CCC Group companies. The risk management policy is constantly refined and supplemented by detailed regulations covering the individual risk areas within the Group, including:

- remuneration policy for Members of the Management Board and Supervisory Board;
- code of ethics;
- supplier code of conduct;
- procurement policy;
- IT system security policy;
- OHS policy;
- environmental policy;
- human resources policy.

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Bodies responsible for risk management at the CCC Group

Bodies responsible for risk management at the CCC Group and their respective areas of responsibilities

MANAGEMENT BOARD	Approves the CCC Group Risk Management Policy, which forms the basis for implementation of the Risk Management System.
AUDIT COMMITTEE	Monitors the effectiveness of the risk management system with respect to risks materially affecting the Company's operations, including the effectiveness of any corrective actions taken. For more information on its scope of responsibilities, see the section devoted to the Audit Committee.
SUPERVISORY BOARD	Periodically verifies the correctness and effectiveness of the Risk Management Policy to ensure that all key risks have been identified and appropriate corrective actions have been implemented.
INTERNAL AUDITOR	Periodically reports on the effectiveness of the systems and their functions with regard to implementation and maintenance of effective internal control systems, risk management, legal compliance, and internal audit functions.
FINANCIAL DEPARTMENT	Implements the CCC Group Risk Management System; Exercises supervision of risk management personnel at the CCC Group; Constantly gathers knowledge and techniques to improve the effectiveness of risk management systems; Monitors the Risk Management System and ensures it is integrated with the CCC Group's processes.
MANAGEMENT PERSONNEL	Raise awareness of the importance of the Risk Management System; Manage the available resources to implement and maximise the effectiveness of the Risk Management System; Review plans and assumptions for expanding the Risk Management System.

COMMITTEES

The Supervisory Board of CCC S.A. may appoint standing or ad hoc committees to act as its collective advisory and opinion-forming bodies.

The Company has had an Audit Committee since 2016.

After the Supervisory Board's term expired in 2022 and the Annual General Meeting ("AGM") made appointments for a new term on 15 June 2022, the Supervisory Board, at the next meeting after the AGM on 3 August 2022, appointed the Audit Committee of the fourth term from among its members in accordance with the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017.

In the Audit Committee, Fillip Gorczyca has the required knowledge and skills in accounting or auditing, while Mariusz Gnych has the knowledge and skills required in the industry in which the Company operates.

Under the Act on Statutory Auditors, Audit Firms, and Public Oversight and Annex II to Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board, as well as requirements stipulated in the Code of Best Practice for WSE Listed Companies 2021, Zofia Dzik and Filip Gorczyca were deemed to be independent members of the Audit Committee.

Authorisation and role of the Audit Committee

The Audit Committee is a standing committee of the Supervisory Board of CCC S.A. The Audit Committee performs the tasks and exercises the powers provided for that body in the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2019 (the "Act on Statutory Auditors") and other regulations applicable to public companies, as well as those provided for in resolutions of the Supervisory Board, the Rules of Procedure and other internal regulations in place at the Company. The Committee also follows the recommendations set out in the Code of Best Practice for WSE Listed Companies, which – with regard to the supervisory board committees – require the application of Annex I to Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board.

The Committee provides expert advice to the Supervisory Board and supports it in the correct and effective application by the Company of financial reporting standards, operation of internal controls and cooperation with the Company's auditor.

Election and composition of the Audit Committee

The Audit Committee consists of at least three members, including the Chair of the Audit Committee appointed by the Supervisory Board for its term of office from among its members.

The Supervisory Board elects the Committee members, including the Chair, at the first meeting of the Supervisory Board of a new term.

A majority of the Committee members, including the Chair, should have the status of independent members, in accordance with generally applicable laws.

At least one of its members should be qualified and experienced in accounting or financial auditing.

At least one member must have the knowledge and skills relevant to the industry in which the Company operates, or individual members must have the knowledge and skills relevant to different aspects of the industry.

The independence of Audit Committee members is verified based on the criteria stipulated in Art. 129.3.1-10 of the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017 (Dz.U. of 2017, item 1089) and Annex II to Commission Recommendation 2005/162/EC of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board.

Should the number of Committee members decrease, the Supervisory Board will forthwith elect a new member to fill the vacancy by calling a Supervisory Board meeting to be held as soon as practicable.

Powers and responsibilities of the Audit Committee

The Audit Committee supports the Supervisory Board in the performance of its statutory control and supervisory duties with respect to:

1) monitoring of the financial reporting process at CCC S.A. and its Group;
2) monitoring of the effectiveness of the internal control and risk management systems at the CCC Group;
3) monitoring of the effectiveness of the internal audit function at the CCC Group, including the financial reporting function;
4) monitoring of the proper operation of the risk identification and management systems;
5) monitoring of the independence of internal and external auditors;
6) monitoring of the financial audit process.

The Supervisory Board may require the Audit Committee to assist it in performing other supervisory functions.

In the exercise of oversight over financial reporting, the Audit Committee in particular:

1) monitors the financial reporting process, including by issuing opinions on the accounting policies and rules of preparation of financial statements adopted by the Company;
2) analyses the full-year, half-year and quarterly financial statements together with the Company's governing bodies;
3) monitors the performance of auditing tasks, including, without limitation, audits performed by an auditing firm, taking into account any conclusions and findings made by the Polish Audit Oversight Commission based on inspections carried out at the auditing firm. This includes discussion of the results of audits of full-year separate and consolidated financial statements;
4) notifies the Supervisory Board of the audit findings, and explains how the audit contributed to the reliability of CCC S.A.'s financial reporting and what role the Audit Committee played in the audit;
5) provides recommendations to ensure reliability of CCC S.A.'s financial reporting process;
6) issues opinions on the Directors' Reports and the Management Board's proposals concerning allocation of profit or coverage of loss, and provides recommendations to the Supervisory Board regarding their assessment;
7) issues opinions on material financial information published by the Company.

In the exercise of oversight over internal control, the Audit Committee in particular:

- examines the adequacy of the Management Board's systems for identifying, monitoring and mitigating threats to the Company's operations;
- monitors the effectiveness of the Company's internal control system, including the effectiveness of corrective measures taken;
- supervises the operation of internal audit, including by monitoring its work plans and work results, and by evaluating resources;
- monitors compliance of the Company's operations with applicable laws and other regulations.

In the exercise of oversight over risk management, the Audit Committee in particular:

- monitors the effectiveness of the system for managing risks materially affecting the Company's operations;
- provides opinions on draft rules for sound and prudent management and acceptable levels of risk in each area of the Company's operations;
- provides opinions on the Company's material draft compliance regulations and changes in compliance regulations, including non-compliance risk policies,
- evaluates application by relevant units of the Company of the procedure for reporting irregularities identified at the Company.

In order to ensure the independence of external auditors, the Committee in particular:

- provides recommendations to the Supervisory Board concerning selection of an auditor for the Company, change of the auditor and the auditor's fees;
- checks and monitors the independence of the auditor and the auditing firm, particularly where the auditing firm provides non-audit services to CCC S.A.;
- expresses opinions on the engagement of an external auditor to perform non-audit services, and presents its position on the Company's policy in this respect;
- assesses the independence of the auditor and approves the provision of permitted non-audit services by the auditor at CCC S.A. and entities controlled by CCC S.A.;
- develops a policy for selecting an audit firm to perform audits;
- develops a policy for the provision of permitted non-audit services by the auditing firm, its affiliates and members of its network;
- establishes procedures for selecting an auditing firm by CCC S.A.;
- reviews the effectiveness of the external audit process and the Management Board's response to the external auditor's recommendations.

At the beginning of each year, the Audit Committee approves an annual plan of its activities that meets its statutory obligations, and agrees with the Supervisory Board on a planned meeting schedule.

In order to perform the activities specified in Section 3, the Audit Committee may:

- request such information, explanations and documents as may be required by the Audit Committee to discharge its responsibilities;
- demand that the lead auditor discuss with the Audit Committee, the Management Board, or the Supervisory Board of CCC S.A. the key audit-related issues raised in the additional report referred to in Article 11 of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC;
- receive information from the Company's governing bodies and employees, who must provide the Committee members with such information or with access to such information;
- participate in the meetings of Company employees;
- invite external advisers to attend Committee meetings and seek information and opinions from such advisers – the costs of any such advisory services, first approved by the Supervisory Board, will be borne by the Company.

Responsibilities of the Audit Committee

The Audit Committee submits the following to the Supervisory Board:

- conclusions, positions and recommendations made in connection with the performance of its functions early enough to allow the Supervisory Board to promptly take appropriate action;
- at least once per fiscal quarter – information on oversight activities carried out and their outcomes. This requirement is considered met by forwarding the minutes of Audit Committee meetings and copies of Audit Committee resolutions passed to the Supervisory Board after the end of each fiscal quarter;
- at least once every six months, within the same time limits as prescribed for authorisation of the Company's full-year and half-year financial statements – a report on the Audit Committee's activities;
- a report on its activities in a given financial year, delivered sufficiently early so as to enable the Supervisory Board to include the report's insights in the annual evaluation of the Company's condition.

In its reports, the Audit Committee must include information concerning the tasks assigned, its composition, number of meetings held and attendance, and its main activities, particularly those relating to the assessment of independence of the auditing firm. This information is required to be published in the corporate governance report.

The Audit Committee should perform its duties in accordance with its remit and should ensure that the Supervisory Board is regularly informed of its activities and work results.

Pursuant to Par. 70.1.8 and Par. 71.1.8 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 29 March 2018, the Supervisory Board of CCC S.A. represented that:

- the laws and regulations governing the appointment, composition and operation of the Audit Committee at CCC S.A. and the CCC Group, including the requirements for its members to meet the independence criteria and have knowledge and skills relevant for the industry in which CCC S.A. operates and knowledge and skills in accounting or auditing, are complied with;
- the Audit Committee performed the tasks of an audit committee laid down in applicable laws.

Audit Committee Meetings in 2023

In 2023, the Audit Committee met six times. At its meetings, the Audit Committee analysed the financial statements for the period from 1 February 2022 to 31 January 2023: i.e., the Company's separate financial statements, the consolidated financial statements of the CCC Group and the Directors' Report on the operations of the CCC Group. The Audit Committee also held regular meetings with representatives of the audit firm Ernst & Young Audyt Polska Sp. z o.o. sp.k. The Committee analysed the Company's separate financial statements for the first half of 2023 and the consolidated financial statements of the CCC Group for the same period. In 2023, the Audit Committee approved the annual work plan for the Audit Committee and the internal audit plan for the financial year from 1 February 2023 to 31 January 2024.

In 2023, the Audit Committee also considered:

- risk management system along with a list of key identified risks and their assessment;
- schedule of the audit of financial statements for 2023;
- changes in financial reporting and their materiality, timeliness of reporting;
- compliance system, reviewing the key issues and controversies; business partners checking;
- anti-corruption compliance management system and the whistleblower protection system;
- results of internal and external audits, including the status of implementation of recommendations issued;
- information on the budget, resources and remuneration in the internal audit unit;
- assessment of the effectiveness of the internal control, risk management and compliance systems;
- IT information security;
- liquidity position of the CCC Group and the CCC Group refinancing project;
- HR strategy and action plan;
- anti-corruption compliance management system and the whistleblower protection system;
- tax risk management;
- organisational structure vs division of responsibilities among Management Board members;
- ESG reporting by the Company;
- trends in customer complaint numbers;
- information on ICT security at the CCC Group;
- communication with shareholders, IR strategy of the CCC Group;
- exploring potentially lost sales due to fraud and/or misconduct by staff/customers;
- review of tax functions and tax risk management, review of the tax strategy; and information on the implemented tax strategy.

As required under the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017 (the "Statutory Auditors Act"), the Audit Committee has adopted the Rules of Procedure for the Audit Committee, which detail the Committee's responsibilities and procedures. The Audit Committee of the Supervisory Board of CCC S.A. also adopted:

- Policy on the selection of an audit firm to audit the separate and consolidated financial statements of the CCC Group;
- Procedure for the selection of an auditor to audit the separate financial statements of CCC S.A. and the consolidated financial statements of the CCC Group;
- Policy for the provision of non-audit services by the auditor or audit firm to the CCC Group.

In accordance with the Policy for the provision of permitted non-audit services by the audit firm auditing the financial statements, the audit firm's affiliates or members of its network, the audit firm auditing the financial statements of CCC S.A. or any member of the audit firm's network may not provide any prohibited non-audit services, directly or indirectly, to CCC S.A. and CCC Group companies.

In 2023, the Audit Committee, acting pursuant to the Act on Statutory Auditors, Audit Firms and Public Oversight of 11 May 2017 (Dz.U. of 2017, item 1089) (the "Statutory Auditors Act") and the Policy for the provision of non-audit services by the auditor or audit firm to the CCC Group, having carried out an assessment of the threats to and safeguards of independence referred to in Art. 69-73 of the Statutory Auditors Act, approved the provision of non-audit services to CCC S.A. by its auditor Ernst Young & Audyt Polska Sp. z o.o. sp.k., comprising:

- review of the report on remuneration of the Management Board and the Supervisory Board of CCC S.A. for 2022;
- assurance service with regard to corporate governance, risk management and corporate social responsibility reporting covering the non-financial report (Sustainability Report) for 2022;

As required by the Policy and Procedure for the selection of an auditor, the process of appointing an audit firm to audit the financial statements of the Company and the consolidated financial statements of the CCC Group must be compliant with the Policy and Procedure and with mandatory provisions of law, including, without limitation, the Statutory Auditors Act and the Accounting Act.

The audit firm is appointed by the Supervisory Board. The first audit engagement agreement with the audit firm is concluded for no less than two years, with an option to extend its term for subsequent periods of two years or more.

The maximum continuous duration of a statutory audit engagement of the same audit firm may not exceed ten (10) years, with the proviso that the lead auditor may not conduct statutory audits for more than five (5) years and that the lead auditor may again audit the financial statements only after at least three years have elapsed since the end of the last audit of the financial statements.

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On 24 May 2021, the Supervisory Board passed a resolution to extend the engagement of Ernst & Young Audyt Polska Sp. z o.o. Sp. k. of Warsaw, entered in the list of statutory auditors of financial statements maintained by the National Council of Statutory Auditors under Reg. No. 130, to review the half-year financial statements of CCC S.A. and the half-year consolidated financial statements of the CCC Group for the periods from 1 February to 31 July 2022 and from 1 February to 31 July 2023 and to audit the full-year separate financial statements of CCC S.A. and the full-year consolidated financial statements of the CCC Group for the years ending 31 January 2023 and 31 January 2024.

On 26 May 2024, the Supervisory Board passed a resolution to extend the engagement of Ernst & Young Audit Polska Sp. z o.o. Sp. k. of Warsaw, entered in the list of statutory auditors of financial statements maintained by the National Council of Statutory Auditors under Reg. No. 130, to review the half-year financial statements of CCC S.A. and the half-year consolidated financial statements of the CCC Group for the periods:

- from 1 February to 31 July 2024,
- from 1 February to 31 July 2025, and
- from 1 February to 31 July 2026,

and to audit the full-year separate financial statements of CCC S.A. and the full-year consolidated financial statements of the CCC Group for the financial years 2024–2026.

As at 31 January 2024 and the issue date of this Report, the Audit Committee had the following composition:

Full name of Supervisory Board Member	Position on the Audit Committee
Filip Gorczyca	Chair
Zofia Dzik	Member
Mariusz Gnych	Member

In connection with its internal systems and functions in place, the Company applies the following principles of the Code of Best Practice 2021:

3.1. Listed companies maintain efficient internal control, risk management and compliance systems and an efficient internal audit function adequate to the size of the company and the type and scale of its activity; the management board is responsible for their functioning.

The principle is applied by the Company.

3.2. Companies' organisation includes units responsible for the tasks of individual systems or functions unless it is not reasonable due to the size of the company or the type of its activity.

The principle is applied by the Company.

3.3. Companies participating in the WIG20, mWIG40 or sWIG80 index appoint an internal auditor to head the internal audit function in compliance with generally accepted international standards for the professional practice of internal auditing. In other companies which do not appoint an internal auditor who meets such requirements, the audit committee (or the supervisory board if it performs the functions of the audit committee) assesses on an annual basis whether such person should be appointed.

The principle is applied by the Company.

3.4. The remuneration of persons responsible for risk and compliance management and of the head of internal audit should depend on the performance of delegated tasks rather than short-term results of the company.

The principle is applied by the Company.

3.5. Persons responsible for risk and compliance management report directly to the president or other member of the management board.

The principle is applied by the Company.

3.6. The head of internal audit reports organisationally to the president of the management board and functionally to the chair of the audit committee or the chair of the supervisory board if the supervisory board performs the functions of the audit committee.

The principle is applied by the Company.

3.7. Principles 3.4 to 3.6 apply also to members of the company's group which are material to its activity if they appoint persons to perform such tasks.

The principle is applied by the Company.

3.8. The person responsible for internal audit or the management board if such function is not performed separately in the company reports to the supervisory board at least once per year with their assessment of the efficiency of the systems and functions referred to in principle 3.1 and tables a relevant report.

The principle is applied by the Company.

3.9. The supervisory board monitors the efficiency of the systems and functions referred to in principle 3.1 among others on the basis of reports provided periodically by the persons responsible for the functions and the company's management board, and makes annual assessment of the efficiency of such systems and functions according to principle 2.11.3. Where the company has an audit committee, the audit committee monitors the efficiency of the systems and functions referred to in principle 3.1, which however does not release the supervisory board from the annual assessment of the efficiency of such systems and functions.

The principle is applied by the Company.

3.10. Companies participating in the WIG20, mWIG40 or sWIG80 index have the internal audit function reviewed at least once every five years by an independent auditor appointed with the participation of the audit committee.

The principle is applied by the Company.

12.1.4 General Meeting, shareholder relations

The management board and the supervisory board of listed companies should encourage the engagement of shareholders in matters of the company, in particular through active participation in the general meeting, either in person or through a proxy.

The general meeting should proceed by respecting the rights of all shareholders and ensuring that passed resolutions do not infringe on legitimate interests of different groups of shareholders.

Shareholders who participate in a general meeting exercise their rights in accordance with the rules of good conduct.

Participants of a general meeting should come prepared to the general meeting.

Operation and key powers of the General Meeting; shareholder rights and how they are exercised

The General Meeting operates on the basis of information published by the Company, including on the CCC S.A. website, The Articles of Association of the Company and the Rules of Procedure, and to the extent not provided for in these documents – on the basis of the Commercial Companies Code.

Convening and cancelling the General Meeting:

(i) The General Meeting may be convened as an ordinary (annual) or extraordinary meeting of shareholders.
(ii) The General Meeting may be held at the Company's registered office, in Warsaw or in Wrocław, at the venue and on the date specified in the notice of the General Meeting.
(iii) The Annual General Meeting is held annually, within six months of the end of the financial year.
(iv) The Management Board gives notice of a General Meeting, specifying the venue and time, in the form of a current report and on the Company's website.

Powers of the General Meeting

The powers and responsibilities of the General Meeting include, in addition to any matters related to the Company's operations and matters specified in applicable laws, except for the acquisition and disposal of real property, perpetual usufruct right to real property or interest in real property:

- Appointment and removal of Supervisory Board members
- Approval of the Rules of Procedure for the Supervisory Board
- Determination of the rules of remuneration for Supervisory and Management Board members;
- Determination of remuneration for Supervisory Board members.

The powers of the General Meeting are defined in the following documents:

1) Articles of Association of the Company, available on the Company’s website;
2) Rules of Procedure for the General Meeting of CCC S.A., available on the Company’s website;
3) Commercial Companies Code;
4) Code of Best Practice for WSE Listed Companies.

Participation in General Meetings of the Company

Members of the Management and Supervisory Boards may participate in a General Meeting. The auditor should be present if financial matters of the Company are to be considered during the Meeting.

The Management Board may also invite other experts and advisers to participate in a General Meeting in order to present their opinions to participants of the Meeting on matters included on the agenda. To the extent permitted by law and acting in the best interests of the Company, CCC S.A. may also allow members of the media to attend a General Meeting.

The Management and Supervisory Board members and the Company’s auditor, within their respective remits and to the extent necessary to resolve matters discussed at the General Meeting, provide General Meeting participants with relevant explanations and information concerning the Company. Answers to questions raised by General Meeting participants are provided in keeping with the laws governing the operation of the capital market, and all information must be provided in a manner prescribed therein.

Shareholders may attend General Meetings of CCC S.A. and exercise voting rights in person or by proxy. Powers of proxy to vote should be granted in writing or in electronic form. A power of proxy granted in electronic form will not require a secure electronic signature verifiable with a valid qualified certificate.

Shareholders are required to notify the Company that a power of proxy has been granted in electronic form and send the power of proxy to wza@ccc.eu. If further powers of proxy have been granted, a complete sequence of powers of proxy must be presented along with documents confirming the authority to act on behalf of preceding proxies.

Since 2016, shareholders may participate in a General Meeting by electronic means of communication if the notice of the General Meeting provides for such option. Participation via electronic means includes in particular:

1) real-time broadcast of the General Meeting;
2) real-time two-way communication where shareholders may speak during the General Meeting from a location other than the venue of the General Meeting;
3) exercise of voting rights at the General Meeting by the shareholder in person or through a proxy.

Voting at the General Meeting of the Company

Presented below are the rules of voting at the Company's General Meeting, which are consistent with the Rules of Procedure for the General Meeting, the Company's Articles of Association, and the Commercial Companies Code:

- Voting is by open ballot. A secret ballot is ordered with regard to an election, removal from office of members of the Company's governing bodies or bringing them to account, and personnel matters. A secret ballot will also be ordered at the request of at least one shareholder or his representative.
- The General Meeting may appoint a Ballot Counting Committee, whose responsibilities will be to ensure that each vote is properly conducted, to oversee the provision of computer services (in the case of electronic voting) and to count the votes and deliver the voting results to the Chair of the General Meeting.
- One share carries the right to one vote at the General Meeting. In the case of Series A1 preference shares (registered preference shares), one share confers the right to two votes.
- The Chair of the General Meeting declares the voting results, which are then recorded in the minutes of the meeting.

Two General Meetings were held in 2023.

On 12 June 2023, the **Annual General Meeting** was held, at which the shareholders approved the Directors' Reports on the Company's and the CCC Group's operations and the financial statements for the period from 1 February 2022 to 31 January 2023. The AGM also resolved to cover the entire loss for 2022, of PLN 22,734,688.30, from the Company's statutory reserve funds. In addition, the shareholders approved the Report on remuneration of members of the Management Board and Supervisory Board of the Company for 2022, as adopted by the Supervisory Board by Resolution No. 01/05/2023/RN of 11 May 2023, decided on the number of Supervisory Board members, and appointed new members to the Supervisory Board and elected its Chair.

On 31 August 2023, an **Extraordinary General Meeting** was held to amend the Company's Articles of Association, to approve the disposal of an organised part of CCC S.A.'s enterprise to CCC.eu Sp. z o.o., and to merge CCC Spółka Akcyjna with the subsidiary CCC Factory spółka z ograniczoną odpowiedzialnością.

Dividend policy

In view of the Company's financial results and its intention to share profits with the shareholders, on 28 April 2015 the Management Board of CCC S.A. adopted a dividend policy (the dividend policy was later updated by a resolution of the Management Board on 17 March 2017).

- The Management Board of the CCC Group intends to recommend to the General Meeting that dividend be paid of 33% and 66% of the consolidated net profit of the CCC Group (attributable to owners of the parent), assuming that the net debt to EBITDA ratio at the end of the relevant financial year is below 3.0.
- In recommending the amount of profit distribution, the Management Board will take into account the financial condition and liquidity position of the CCC Group, its existing and future liabilities (including potential restrictions under credit facility agreements and debt instruments in issue), as well as the assessment of the CCC Group's prospects in specific market and macroeconomic conditions.
- The new dividend policy applies as of distribution of the Group's consolidated net profit for the financial year ended 31 December 2016.

None of the CCC Group shares carry any dividend preference.

Dividend history

FINANCIAL YEAR	PAYOUT RATIO (% OF CONSOLIDATED NET PROFIT)	TOTAL DIVIDEND (PLN MILLION)	DIVIDEND PER SHARE
2023	0%	-	-
2022	0%	-	-
2021	0%	-	-
2020	0%	-	-
2019	0%	-	-
2018	35%	19.8	0.5
2017	33%	94.7	2.3
2016	33%	101.4	2.6
2015	33%	86.0	2.2
2014	*27%	115.2	3.0
2013	49%	61.4	1.6
2012	58%	61.4	1.6
2011	50%	61.4	1.6
2010	49%	57.6	1.5
2009	46%	38.4	1.0
2008	37%	38.4	1.0
2007	0%	-	-
2006	72%	38.4	1.0
2005	88%	38.4	1.0

* As a result of adjusting net profit for the effect of non-recurring factors, the payout ratio was 50%.

The Company complies with the following principles of the Code of Best Practice 2021 regarding general meetings and shareholder relations:

4.1. Companies should enable their shareholders to participate in a general meeting by means of electronic communication (e-meeting) if justified by the expectations of shareholders notified to the company, provided that the company is in a position to provide the technical infrastructure necessary for such general meeting to proceed.

The principle is applied by the Company.

4.2. Companies set the place and date and the form of a general meeting so as to enable the participation of the highest possible number of shareholders. For that purpose, companies strive to ensure that the cancellation of a general meeting, change of its date or break in its proceedings take place only if justified and do not prevent or limit the exercising of the shareholders' rights to participate in the general meeting.

The principle is applied by the Company.

4.3. Companies provide a public real-time broadcast of the general meeting.

The principle is applied by the Company.

4.4. Presence of representatives of the media is allowed at general meetings.

The principle is applied by the Company.

4.5. If the management board becomes aware of a general meeting being convened pursuant to Art. 399.2–4 of the Commercial Companies Code, the management board immediately takes steps which it is required to take in order to organise and conduct the general meeting. The foregoing applies also where a general meeting is convened under authority granted by the registration court according to Art. 400.3 of the Commercial Companies Code.

The principle is applied by the Company.

4.6. To help shareholders participating in a general meeting to vote on resolutions with adequate understanding, draft resolutions of the general meeting concerning matters and decisions other than points of order should contain a justification, unless it follows from documentation tabled to the general meeting. If a matter is put on the agenda of the general meeting at the request of a shareholder or shareholders, the management board requests presentation of the justification of the proposed resolution, unless previously presented by such shareholder or shareholders.

The principle is applied by the Company.

4.7. The supervisory board issues opinions on draft resolutions put by the management board on the agenda of the general meeting.

The principle is applied by the Company.

4.8. Draft resolutions of the general meeting on matters put on the agenda of the general meeting should be tabled by shareholders no later than three days before the general meeting.

The principle is applied by the Company.

4.9. If the general meeting is to appoint members of the supervisory board or members of the supervisory board for a new term of office:

4.9.1. candidates for members of the supervisory board should be nominated with a notice necessary for shareholders present at the general meeting to make an informed decision and in any case no later than three days before the general meeting; the names of candidates and all related documents should be immediately published on the company's website;

The principle is applied by the Company.

4.9.2. candidates for members of the supervisory board make a declaration concerning fulfilment of the requirements for members of the audit committee referred to in the Act on Statutory Auditors, Audit Firms and Public Oversight of 11 May 2017 and having actual and material relations with any shareholder who holds at least 5% of the total vote in the company.

The principle is applied by the Company.

4.10. Any exercise of the rights of shareholders or the way in which they exercise their rights must not hinder the proper functioning of the governing bodies of the company.

The principle is applied by the Company.

4.11. Members of the management board and the supervisory board participate in a general meeting, at the location of the meeting or via means of bilateral real-time electronic communication, as necessary to speak on matters discussed by the general meeting and answer questions asked at the general meeting. The management board presents to participants of an annual general meeting the financial results of the company and other relevant information, including non-financial information, contained in the financial statements to be approved by the general meeting. The management board presents key events of the last financial year, compares presented data with previous years, and presents the degree of implementation of the plans for the last year.

The principle is applied by the Company.

4.12. Resolutions of the general meeting concerning an issue of shares with subscription rights should specify the issue price or the mechanism of setting the price or authorise the competent governing body to set the price prior to the subscription right record date within the timeframe necessary for investors to make decisions.

The principle is applied by the Company.

4.13. Resolutions concerning a new issue of shares with the exclusion of subscription rights which grant pre-emptive rights for new issue shares to selected shareholders or other entities may pass subject at least to the following three criteria:

a) the company has a rational, economically justified need to urgently raise capital or the share issue is related to rational, economically justified transactions, among others such as a merger with or the acquisition of another company, or the shares are to be taken up under an incentive scheme established by the company;

b) the persons granted the pre-emptive right are to be selected according to objective general criteria;

c) the purchase price of the shares is in a rational relation with the current share price of the company or is to be determined in book-building on the market.

The principle is applied by the Company.

4.14. Companies should strive to distribute their profits by paying out dividends. Companies may retain all their earnings subject to any of the following criteria:

a) the earnings are minimal and consequently the dividend would be immaterial in relation to the value of the shares;
b) the company reports uncovered losses from previous years and the earnings are used to reduce such losses;
c) the company can demonstrate that investment of the earnings will generate tangible benefits for the shareholders;
d) the company generates insufficient cash flows to pay out dividends;
e) a dividend payment would substantially increase the risk to covenants under the company's binding credit facilities or terms of bonds issue;
f) retention of the company's earnings follows recommendations of the authority which supervises the company by virtue of its business activity.

The principle is applied by the Company.

12.1.5 Conflict of interest, related-party transactions

For the purposes of this section, 'related party' is a related party within the meaning of international accounting standards as adopted under Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards

A company and its group should have transparent procedures in place for managing conflicts of interest and executing related-party transactions where a conflict of interest may occur.

The procedures should provide for ways to identify, disclose and manage such cases.

Members of the management board and members of the supervisory board should refrain from professional or other activities which might cause a conflict of interest or adversely affect their reputation as members of the governing bodies of the company, and where a conflict of interest arises - promptly disclose it.

With respect to conflicts of interest and related-party transactions, the Company applies the following principles of the Code of Best Practice 2021:

5.1. Members of the management board and members of the supervisory board notify the management board or the supervisory board, respectively, of any conflict of interest which has arisen or may arise, and should not participate in discussions concerning an issue which may give rise to such a conflict of interest on their part.

The principle is applied by the Company.

5.2. Where a member of the management board or the supervisory board concludes that a decision of the management board or the supervisory board, respectively, is in conflict with the interest of the company, he or she should request that his or her opinion on the issue be recorded separately in the minutes of the meeting of the management board or the supervisory board, as applicable.

The principle is applied by the Company.

5.3. No shareholder should be privileged over any other shareholder in related-party transactions. The foregoing also applies to transactions executed by a company's shareholders with other companies within the same group.

The principle is applied by the Company.

5.4. Companies may buy back their own shares only in a procedure which respects the rights of all shareholders.

The principle is applied by the Company.

5.5. If a transaction concluded by a company with its related party requires the consent of the supervisory board, before giving its consent the supervisory board assesses whether to ask a prior opinion of a third party which can provide valuation of the transaction and review its economic impact.

The principle is applied by the Company.

5.6. If a related party transaction requires the consent of the general meeting, the supervisory board issues an opinion on the rationale of such transaction. In that case, the supervisory board assesses whether to ask a prior opinion of a third party referred to in principle 5.5.

The principle is applied by the Company.

5.7. If a decision concerning a company's significant transaction with a related party is made by the general meeting, the company should give all shareholders access to information necessary to assess the impact of the transaction on the interest of the company before the decision is made, including an opinion of the supervisory board referred to in principle 5.6.

The principle is applied by the Company.

12.1.6 Wages and salaries

A company and its group protect the stability of their management teams, among others by transparent, fair, consistent and non-discriminatory terms of remuneration, including equal pay for women and men.

A company's remuneration policy applicable to members of the company's governing bodies and key management staff should define, in particular, the remuneration form, structure, and the method of determination and payment.

REMUNERATION OF CCC S.A.'S GOVERNING BODIES

Rules of remuneration for management and supervisory staff

The remuneration rules for members of the Management and Supervisory Boards are defined in the Remuneration Policy for Members of the Management Board and Supervisory Board of CCC S.A., adopted by the Annual General Meeting on 24 June 2020 and updated by the next Annual General Meetings on 22 June 2021 and 15 June 2022. The remuneration policy was introduced in view of the key role of the Management Board and Supervisory Board members at the Company. It aims to support delivery of the Company's business strategy and promote its long-term interests and stability, including by motivating Management and Supervisory Board members to work effectively for the Company, encouraging them to stay with the Company over the long term and linking the interests of the Management Board members to those of the Company. The amount of remuneration for the Management Board and Supervisory Board members is determined taking into account the amount of work necessary to properly perform the functions of individual members of the above bodies and the scope of duties, responsibilities and competencies connected with the performance of those functions. The remuneration amount corresponds to the size of the Company's business and is reasonable in relation to its financial performance.

Bonus rules

In order to improve the quality and efficiency of the work of Management Board members, their remuneration is determined taking into account its incentivising role and smooth and effective management of the Company. Therefore, the remuneration consists of a fixed component, which is a monthly pay determined by the Supervisory Board in a resolution, and variable components, which are cash bonuses awarded at the discretion of the Supervisory Board after the first and second half of a year, depending on whether the financial and non-financial criteria for awarding the variable remuneration have been satisfied. The amount of variable pay depends on the level of achievement of financial targets, including the Company's profitability and financial performance. The non-financial performance criteria include fulfilment of tasks assigned individually or collectively to each Management Board member by the Supervisory Board under a business strategy adopted by the Company and not directly linked to financial criteria, in particular strategic tasks set taking into account the Company's current situation; taking into account corporate social responsibility.

Members of the Management Board are awarded variable remuneration in the form of:

1) An individual short-term bonus contingent on the achievement of individual short-term targets, granted for the first and the second half of the year, determined on the basis of four-times monthly remuneration of a Management Board member, payable by 31 March for the second half of the year, and by 30 September for the first half of the year.
2) A short-term collective bonus contingent on the achievement of short-term targets set for the Management Board as a whole, granted for annual periods, determined on the basis of four-times monthly remuneration of a Management Board member.
3) A long-term bonus contingent on an increase in CCC S.A.'s value (understood as an increase in the share price), payable to each Management Board member for:
    - Period one from 1 January 2020 to 31 July 2021, calculated as 100,000 x the difference between the average price of Company shares in the second quarter of CCC S.A.'s financial year 2021 (from 1 May 2021 to 31 July 2021) and the issue price of Series I and Series J shares (the base price for period one);
    - Period two from 1 August 2021 to 31 July 2024, calculated as 100,000 x the difference between the average price of Company shares in the second quarter of CCC S.A.'s financial year 2024 (from 1 May to 31 July 2024) and the average price of Company shares in the second quarter of CCC S.A.'s financial year 2021 (the base price for period two).

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In accordance with Supervisory Board Resolution No. 01/05/2023/RN dated 10 May 2023, to temporarily suspend the Remuneration Policy for Management and Supervisory Board Members of CCC S.A., the Supervisory Board has decided to provisionally withhold payment of variable remuneration components. This encompasses individual short-term bonuses and collective short-term bonuses for Management Board members, applicable from the second half of 2022 onwards.

The decision to award cash bonuses to members of the Management Board lies within the remit of the Supervisory Board.

Remuneration of CCC S.A. Management Board and bonuses

1 Feb 2023–31 Jan 2024		Fixed components of remuneration:		Variable components of remuneration:			Total
Gross remuneration of Management Board members	Position	Remuneration under service contract	Additional monetary and non-monetary benefits	Short-term bonus	Long-term bonus (1 January 2020–31 July 2021) *	One-off compensation	
Dariusz Miłek	President of the Management Board (since 12 May 2023)	766,667.0	5,082.0	0.0	0.0	0.0	**771,749.0**
Marcin Czyczerski	President of the Management Board (until 11 May 2023)	433,333.0	8,282.0	0.0		0.0	**441,615.0**
Karol Półtorak	Vice President of the Management Board	840,000.0	16,924.0	0.0	0.0	0.0	**856,924.0**
Adam Holewa	Vice President of the Management Board (until 12 June 2023)	373,333.0	10,543.0	0.0	0.0	0.0	**383,876.0**
Igor Matus	Vice President of the Management Board	840,000.0	21,625.0	0.0	0.0	0.0	**861,625.0**
Kryspin Derejczyk	Vice President of the Management Board (until 17 January 2023)	36,667.0	1,973.0	0.0	0.0	443,333.0	**481,973.0**
Total		**3,290,000.0**	**64,429.0**	**0.0**	**0.0**	**443,333.0**	**3,797,762.0**

1 Feb 2022–31 Jan 2023		Fixed components of remuneration:		Variable components of remuneration:			Total
Gross remuneration of Management Board members	Position	Remuneration under service contract	Additional monetary and non-monetary benefits	Short-term bonus	Long-term bonus (1 January 2020–31 July 2021) *	One-off compensation	
Marcin Czyczerski	President of the Management Board	1,200,000.0	18,311.0	350,000.0	0.0	0.0	**1,568,311.0**
Karol Półtorak	Vice President of the Management Board	840,000.0	15,359.0	245,000.0	0.0	0.0	**1,100,359.0**
Adam Holewa	Vice President of the Management Board	840,000.0	10,594.0	245,000.0	0.0	0.0	**1,095,594.0**
Igor Matus	Vice President of the Management Board	840,000.0	10,464.0	245,000.0	0.0	0.0	**1,095,464.0**
Kryspin Derejczyk	Vice President of the Management Board	840,000.0	16,008.0	245,000.0	0.0	0.0	**1,101,008.0**
Adam Marciniak	Vice President of the Management Board (until 29 September 2022)	630,000.0	17,761.0	245,000.0	0.0	0.0	**892,761.0**
Total		**5,190,000.0**	**88,497.0**	**1,575,000.0**	**0.0**	**0.0**	**6,853,497.0**

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Remuneration of the Supervisory Board of CCC S.A.

1 Feb 2023–31 Jan 2024		Fixed components of remuneration:		Total
Gross remuneration of Supervisory Board members	Position	Remuneration under service contract	Additional monetary and non-monetary benefits	
Dariusz Miłek	Chair of the Supervisory Board (until 11 May 2023)	0.0	3,630.0	**3,630.0**
Wiesław Oleś	Chair of the Supervisory Board (since 12 June 2023), Deputy Chair of the Supervisory Board (until 11 June 2023)	240,000.0	0.0	**240,000.0**
Mariusz Gnych	Deputy Chair of the Supervisory Board (since 12 June 2023), Member of the Supervisory Board (until 11 June 2023), Member of the Audit Committee	245,714.0	3,960.0	**249,674.0**
Filip Gorczyca	Member of the Supervisory Board	216,000.0	0.0	**216,000.0**
Zofia Dzik	Member of the Supervisory Board	192,000.0	0.0	**192,000.0**
Piotr Kamiński	Member of the Supervisory Board (since 12 June 2023)	80,571.0	0.0	**80,571.0**
Marcin Stańko	Member of the Supervisory Board (since 12 June 2023)	80,571.0	0.0	**80,571.0**
Total		**1,054,856.0**	**7,590.0**	**1,062,446.0**

1 Feb 2022–31 Jan 2023		Fixed components of remuneration:		Total
Gross remuneration of Supervisory Board members	Position	Remuneration under service contract	Additional monetary and non-monetary benefits	
Dariusz Miłek	Chair of the Supervisory Board	0.0	8,712.0	**8,712.0**
Wiesław Oleś	Deputy Chair of the Supervisory Board	240,000.0	0.0	**240,000.0**
Waldemar Jurkiewicz	Member of the Supervisory Board	85,714.0	0.0	**85,714.0**
Filip Gorczyca	Member of the Supervisory Board	216,000.0	0.0	**216,000.0**
Zofia Dzik	Member of the Supervisory Board	192,000.0	0.0	**192,000.0**
Mariusz Gnych	Member of the Supervisory Board	104,381.0	2,310.0	**106,691.0**
Total		**838,095.0**	**11,022.0**	**849,117.0**

Members of the Management Board receive within the CCC Group other income in addition to that disclosed at CCC S.A. (such other income not being related to their service as Management Board Members).

A report on remuneration of the Management and Supervisory Boards, covering the reporting periods which are consistent with the actual financial years of the CCC Group (the years from 1 February 2023 to 31 January 2024 and from 1 February 2022 to 31 January 2023), will be published following the issue of the Group's annual report.

Agreements between the Company and its management personnel providing for compensation in the event of resignation or removal from office without a good reason or following acquisition by another company

1) If a member of the Company's Management Board is removed from office, he or she will be entitled to receive a severance pay equal to six/twelve months' base pay (with its amount to be determined individually for each member of the Management Board). The severance pay must be paid within 30 days of the date of removal from office.

2) The severance pay referred to in item 3 will not be paid if:

- the Management Board member has committed an offence to the detriment of the Company during his or her service;
- the Management Board member has disclosed, divulged or used a Company's secret without the required consent.

6.1. The remuneration of members of the management board and members of the supervisory board and key managers

should be sufficient to attract, retain and motivate persons with skills necessary for proper management and supervision of the company. The level of remuneration should be adequate to the tasks and responsibilities delegated to individuals and their resulting accountability.

The principle is applied by the Company.

6.2. Incentive schemes should be designed in a way necessary among others to tie the level of remuneration of members of the company's management board and key managers to the actual long-term standing of the company measured by its financial and non-financial results as well as long-term shareholder value creation, sustainable development and the company's stability.

The principle is applied by the Company.

6.3. If companies' incentive schemes include a stock option programme for managers, the implementation of the stock option programme should depend on the beneficiaries' achievement, over a period of at least three years, of pre-defined, realistic financial and non-financial targets and sustainable development goals adequate to the company, and the share price or option exercise price for the beneficiaries cannot differ from the value of the shares at the time when such programme was approved.

The principle is applied by the Company.

6.4. As the supervisory board performs its responsibilities on a continuous basis, the remuneration of supervisory board members cannot depend on the number of meetings held. The remuneration of members of committees, in particular the audit committee, should take into account additional workload on the committee.

The principle is applied by the Company.

6.5. The level of remuneration of supervisory board members should not depend on the company's short-term results.

The principle is applied by the Company.

12.2 INFORMATION ON NON-COMPLIANCE WITH CORPORATE GOVERNANCE RULES

CCC S.A. has complied with the recommendations and principles set out in the Code of Best Practice 2021, as stated in the report on compliance with the Code of Best Practice 2021, published on 30 July 2021, pursuant to Section 29.3 of the Rules of the Warsaw Stock Exchange.

For information on the Company's compliance with the principles set out in the Code of Best Practice for WSE Listed Companies 2021, see the corporate website, corporate governance section:

https://corporate.ccc.eu/lad-korporacyjny.

Non-financial statement

A separate non-financial report of the CCC Group for 2023, prepared in accordance with Art. 49b.9 of the Accounting Act, was published together with the Directors' Report on the CCC Group's operations and posted on the Company's website at https://corporate.ccc.eu/raporty-i-polityki.

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13. SHARE CAPITAL AND SHAREHOLDERS

SERIES/ISSUE	TYPE OF SHARES	NUMBER OF SHARES	PAR VALUE OF THE SERIES/ISSUE (PLN)	FORM OF PAYMENT FOR SHARES
"A1"	registered voting preference	6,650,000	665,000	cash
"A2"	ordinary bearer shares	13,600,000	1,360,000	cash
B	ordinary bearer shares	9,750,000	975,000	cash
C	ordinary bearer shares	2,000,000	200,000	cash
D	ordinary bearer shares	6,400,000	640,000	cash
E	ordinary bearer shares	768,000	76,800	cash
H	ordinary bearer shares	2,000,000	200,000	cash
Jan	ordinary bearer shares	6,850,000	685,000	cash
J	ordinary bearer shares	6,850,000	685,000	cash
L	ordinary registered shares	5,878,535	587,854	cash
M	ordinary bearer shares	8,121,465	812,147	cash
Total		**68,868,000**	**6,886,800**	

As at 31 January 2024, the share capital of CCC S.A. amounted to PLN 6,886,800.00 and was divided into 68,868,000 shares with a par value of PLN 0.10 per share.

Agreements concerning potential changes in the shareholding structure.

The Management Board of the CCC Group is not aware of any agreements (including agreements executed after the reporting period) which may result in changes in the proportions of shares held by the current shareholders and bondholders.

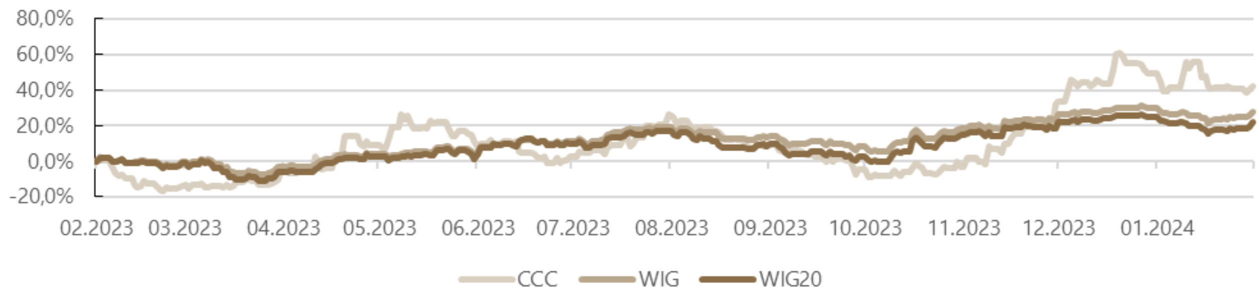
CCC shares on the Warsaw Stock Exchange

CCC stock price

CCC shares have been listed in the continuous trading system on the main market of the Warsaw Stock Exchange since 2 December 2004, and they are currently included in the key indices WIG, WIG30, mWIG40, WIG-Poland, WIG-Div, WIG-Odzież, and WIG ESG.

As at 31 January 2024, the price of one CCC share was PLN 58.32, which translated into the CCC Group's market capitalisation of close to PLN 4bn. The highest price in the year (closing price) was PLN 65.90, while the lowest price was PLN 34.20. The maximum transaction price in 2023 was PLN 68.50, while the minimum price was PLN 33.56.

CCC share price from 1 February 2023 to 31 January 2024



Consolidated Directors' Report on the operations of the CCC Group for the 12 months from 1 February 2023 to 31 January 2024 (all amounts in PLN million unless stated otherwise)

On 12 June 2023, the Annual General Meeting of CCC S.A. was held, at which the shareholders approved the Directors' Reports on the Company's and the CCC Group's operations and the financial statements for 2022. The AGM also resolved to cover the entire loss for 2022, of PLN 22,734,688.30, from the Company's statutory reserve funds.

Selected information on the price of CCC shares in 2022–2023:

DATA	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023	Change [%]
	audited	audited	
Consolidated net profit (loss) attributable to owners [PLNm]	-56.1	-417.6	-86.57%
Separate net profit attributable to owners [PLNm]	220.8	-22.9	<-100%
Consolidated earnings per share [PLN]	-0.9	-6.8	-87.50%
Separate earnings per share [PLN]	3.3	-0.4	<-100%
High [PLN]	68.5	79.3	-13.64%
Low [PLN]	33.6	32.7	2.57%
Share price at end of period [PLN]	58.3	44.0	32.55%
Average share price in the period [PLN]	45.5	45.5	0.00%
Average P/E ratio	-53.5	-6.6	>100%
P/E ratio at end of period	-68.6	-6.4	>100%
Weighted average number of free float shares at end of period	68,868,000.0	54,868,000.0	25.52%
Free float at end of period	0.5	0.5	-5.61%
Capitalisation at end of period [PLNm]	4,016,381,760.0	2,414,192,000.0	66.37%
Dividend paid per share [PLN]	0.0	0.0	-

Research coverage of CCC stock

The performance and strategy of CCC S.A. are monitored by research analysts representing different financial institutions, brokers and banks. The list of institutions providing regular research coverage of CCC stock and analysts issuing recommendations for CCC stock is set out below.

INSTITUTION	ANALYST	CONTACT
Citi	Rafał Wiatr	RAFAL.WIATR@CITI.COM
DM BOŚ S.A.	Sylwia Jaśkiewicz	S.JASKIEWICZ@BOSSA.PL
DM Santander	Tomasz Sokołowski	TOMASZ.SOKOLOWSKI@SANTANDER.PL
Dom Maklerski BDM S.A.	Anna Madziar	ANNA.MADZIAR@BDM.PL
MBANK	Janusz Pięta	JANUSZ.PIETA@MBANK.PL
Erste Group	Krzysztof Kawa	KRZYSZTOF.KAWA@ERSTEGROUP.COM
HSBC	Bulent Yurdagul	BULENTYURDAGUL@HSBC.COM.TR
Ipopema	Marek Szymański	MAREK.SZYMANSKI@IPOPEMA.PL
PKO BP	Adrian Skłodowski	ADRIAN.SKLODOWSKI@PKOBP.PL
Raiffeisen Centrobank AG	Jakub Krawczyk	JAKUB.KRAWCZYK@RCB.AT
Trigon	Grzegorz Polański	GRZEGORZ.KUJAWSKI@TRIGON.PL
UBS	Michał Potyra	MICHAL.POTYRA@UBS.COM
Wood&Company	Łukasz Wachełko	LUKASZ.WACHELKO@WOOD.COM

As of 1 March 2023, the issuer's market maker services for CCC S.A. shares were provided by Jump Trading Europe BV of Amsterdam, Claude Debussylaan 17, 1082 MC Amsterdam, the Netherlands.

Consolidated Directors' Report on the operations of the CCC Group for the 12 months from 1 February 2023 to 31 January 2024 (all amounts in PLN million unless stated otherwise)

Shareholders with major holdings

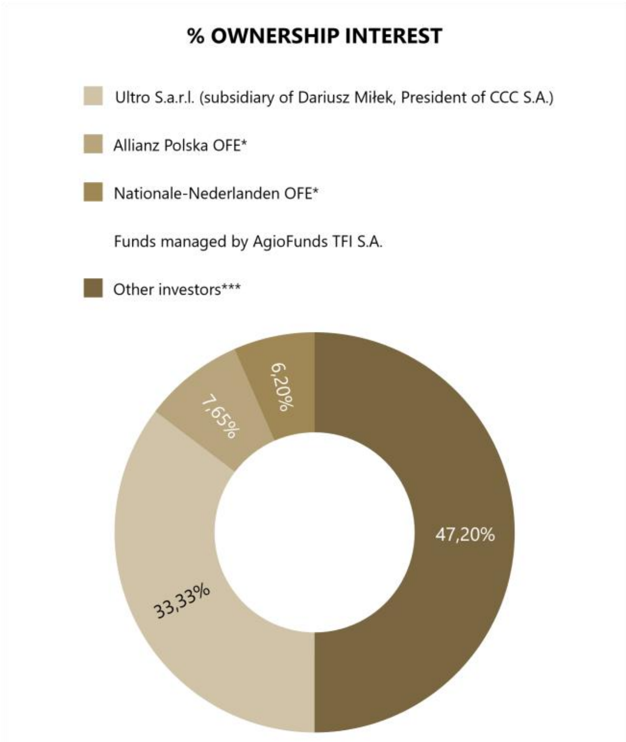
According to the information available to the Company, shareholders holding 5% or more of total voting rights in CCC S.A. as at 31 January 2024 were:

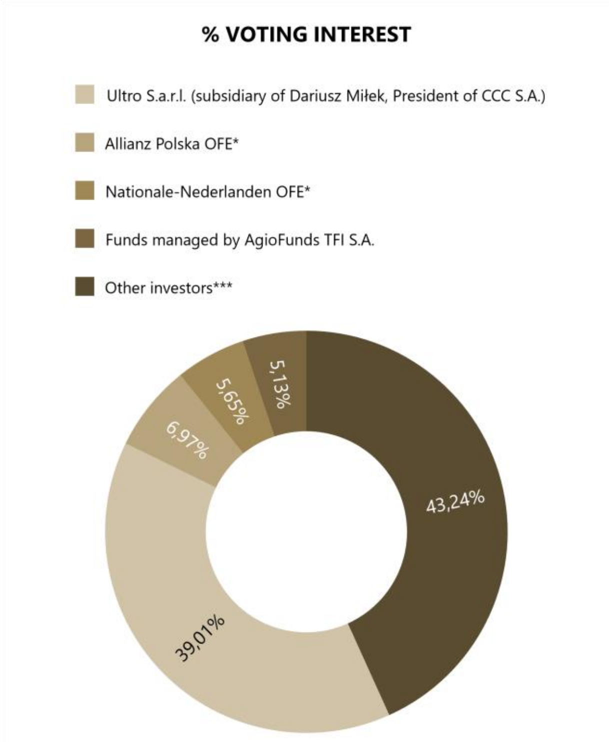
1) ULTRO S.a.r.l. (a subsidiary of Dariusz Miłek), which held 22,956,000 Company shares, representing 33.33% of the share capital and 39.01% of total voting rights;
2) Aviva Polska OFE*, which held 5,267,000 Company shares, representing 7.65% of the share capital and 6.97% of total voting rights;
3) Nationale-Nederlanden OFE*, which held 4,267,000 Company shares, representing 6.20% of the share capital and 5.65% of total voting rights;
4) Funds managed by AgioFunds TFI S.A., which held 3,874,064 Company shares, representing 5.63% of the share capital and 5.13% of total voting rights.

SHAREHOLDER	NUMBER OF SHARES HELD	% OWNERSHIP INTEREST	NUMBER OF VOTING RIGHTS	% VOTING INTEREST
Ultro S.a.r.l. (subsidiary of Dariusz Miłek, President of CCC S.A.)	22,956,000	33.33%	29,456,000	39.01%
Allianz Polska OFE*	5,267,000	7.65%	5,267,000	6.97%
Nationale-Nederlanden OFE*	4,267,000	6.20%	4,267,000	5.65%
Funds managed by AgioFunds TFI S.A.	3,874,064	5.63%	3,874,064	5.13%
Other investors***	32,503,936	47.20%	32,653,936	43.24%
total:	**68,868,000**	**100.00%**	**75,518,000**	**100.00%**

* As per the list of shareholders entitled to participate in the Extraordinary General Meeting on 31 August 2023.

** Other investors holding less than 5% of voting rights.





Consolidated Directors' Report on the operations of the CCC Group for the 12 months from 1 February 2023 to 31 January 2024 (all amounts in PLN million unless stated otherwise)

Shares in the parent and in related entities held by managing and supervising persons

SHAREHOLDER	NUMBER OF SHARES AS AT THE DATE OF ISSUE OF THIS REPORT	PAR VALUE OF SHARES AS AT THE DATE OF ISSUE OF THIS REPORT (PLN)
Supervisory Board		
Mariusz Gnych, Member of the Supervisory Board	207,112	20,711.0
Management Board		
Ultro S.a.r.l. (subsidiary of Dariusz Miłek, President of CCC S.A.)	22,956,000	2,295,600.0
President of Modivo S.A. Marcin Czyczerski	5,100	510.0
Vice President of CCC S.A. Karol Półtorak	35,500	3,550.0
Vice President of CCC S.A. Igor Matus	527	5,270.0

The other members of the Management Board and the Supervisory Board did not hold any shares in CCC S.A. Members of the Management Board and the Supervisory Board did not hold any shares in entities related to CCC S.A.

Company shareholders holding special control rights

According to the Articles of Association of the Company, CCC S.A. shares are divided into two classes:

- ordinary bearer shares, each conferring one voting right in the Company,
- registered shares with voting preference, each conferring two voting rights in the Company,

SHAREHOLDER	NUMBER OF REGISTERED SHARES HELD	% OWNERSHIP INTEREST (REGISTERED SHARES ONLY)	NUMBER OF VOTING RIGHTS (REGISTERED SHARES ONLY)	% VOTING INTEREST (REGISTERED SHARES ONLY)
Ultro S.a.r.l. (subsidiary of Dariusz Miłek, President of CCC S.A.)	6,500,000	9.44%	13,000,000	18.88%
Lech Chudy	50,000	0.07%	100,000	0.15%
Renata Miłek	50,000	0.07%	100,000	0.15%
Mariusz Gnych	50,000	0.07%	100,000	0.15%
Total	**6,650,000**	**9.66%**	**13,300,000**	**17.61%**

Restrictions on voting rights attached to existing shares

There are no restrictions on the exercise of voting rights.

Restrictions on transfer of ownership rights to securities

Shareholders have the pre-emptive right to acquire registered preference shares intended for sale. If the right is not exercised with respect to all or any of the shares, the transfer of ownership of the shares requires approval by the Company’s Management Board.

Consolidated Directors' Report on the operations of the CCC Group for the 12 months from 1 February 2023 to 31 January 2024 (all amounts in PLN million unless stated otherwise)

14. STRUCTURE OF THE CCC GROUP AND ORGANISATIONAL LINKS

The CCC Group consists of CCC S.A. (the parent) and its subsidiaries. In the reporting period ended 31 January 2024, there were changes in the composition of the Group relative to 31 January 2023, as discussed in more detail below. The structure of the CCC Group as at the reporting date is presented below.

SUBSIDIARIES	REGISTERED OFFICE/COUNTRY	PRINCIPAL BUSINESS	EQUITY INTEREST AS AT 31 JAN 2024	EQUITY INTEREST AS AT 31 JAN 2023
CCC Factory Sp. z o.o. [1]	Polkowice, Poland	logistics	0%	100%
CCC Czech s.r.o.	Prague, Czech Republic	trade	100%	100%
CCC Slovakia s.r.o.	Bratislava, Slovakia	trade	100%	100%
CCC Hungary Shoes Kft.	Budapest, Hungary	trade	100%	100%
CCC Austria Ges.m.b.H [2]	Graz, Austria	trade	0%	100%
CCC Obutev d.o.o.	Maribor, Slovenia	trade	100%	100%
CCC Hrvatska d.o.o.	Zagreb, Croatia	trade	100%	100%
C-AirOP Ltd. [3]	Douglas, Isle of Man	services	50%	50%
CCC.eu Sp. z o.o. [4]	Polkowice, Poland	procurement and sale	100%	100%
CCC Shoes & Bags Sp. z o.o.	Polkowice, Poland	investments	100%	100%
CCC Shoes Bulgaria EOOD	Sofia, Bulgaria	trade	100%	100%
Modivo S.A. [5]	Zielona Góra, Poland	trade	75%	75%
Modivo S.R.L.	Alme, Italy	services	75%	75%
eobuwie.pl Logistics Sp. z o.o.	Zielona Góra, Poland	logistics	75%	75%
eschuhe.de GmbH	Frankfurt am Oder, Germany	trade	75%	75%
Branded Shoes and Bags Sp. z o.o. [6]	Zielona Góra, Poland	services	75%	75%
eschuhe.CH GmbH	Zug, Switzerland	trade	75%	75%
Modivo.cz s.r.o.	Prague, Czech Republic	trade	75%	75%
epantofi modivo s.r.l.	Bucharest, Romania	logistics	75%	75%
Modivo.lv SIA	Riga, Latvia	logistics	75%	75%
Ecip Modivo Kft. [7]	Budapest, Hungary	trade	0%	0%
Fashion Tech Solutions Sp. z o.o. [8]	Warsaw, Poland	technology	0%	0%
CCC Shoes & Bags d.o.o. Beograde	Belgrade, Serbia	trade	100%	100%
Shoe Express S.A. [9]	Bucharest, Romania	trade	100%	100%
DeeZee Sp. z o.o. [10]	Kraków, Poland	trade	75%	75%
HalfPrice Sp. z o.o.	Polkowice, Poland	trade	100%	100%
OFP Austria GmbH [11]	Graz, Austria	trade	100%	100%
OU CCC Estonia	Tallinn, Estonia	trade	100%	100%
UAB CCC Lithuania	Vilnius, Lithuania	trade	100%	100%
SIA CCC Shoes Latvia	Riga, Latvia	trade	100%	100%
CCC Ukraina Sp. z o.o. [12]	Lviv, Ukraine	trade	75%	0%
CCC Tech Sp. z o.o. [13]	Polkowice, Poland	technology	0%	0%

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ASSOCIATES	REGISTERED OFFICE/COUNTRY	PRINCIPAL BUSINESS	EQUITY INTEREST AS AT 31 JAN 2024	EQUITY INTEREST AS AT 31 JAN 2023
HR Group Holding s.a.r.l. [14]	Luxembourg	trade	31%	31%
Pronos Sp. z o.o. [15]	Wrocław, Poland	services	25%	25%

[1] As a result of the decision made on 8 November 2023 to merge CCC Factory Sp. z o.o. with CCC.eu Sp. z o.o., on 14 November 2023, the merger resolutions were filed with the National Court Register (KRS), requesting deletion of CCC Factory Sp. z o.o. from the National Court Register and requesting a modification of the company details for CCC.eu Sp. z o.o. in the relevant business register. On 3 January 2024, the entry regarding the deregistration of CCC Factory Sp. z o.o. was made in the National Court Register.

[2] On 7 July 2023, CCC Austria Ges.m.b.H was liquidated.

[3] C-AirOp Ltd. is a subsidiary of CCC S.A. (50%). Having analysed the functions performed by the company's shareholders, the Management Board is of the opinion that the Group continues to control the operations and management of the company.

[4] CCC.eu sp. z o.o. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (86.69%) and CCC S.A. (13.31%).

[5] Modivo S.A. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (74.69%).

[6] As at 31 January 2024, Branded Shoes and Bags Sp. z o.o. was in liquidation.

[7] On 15 February 2024, Ecip Modivo Kft. of Budapest, a wholly-owned subsidiary of Modivo S.A., was registered.

[8] On 14 February 2023, Fashion Tech Solutions Sp. z o.o. of Warsaw, a wholly-owned subsidiary of Modivo S.A., was registered.

[9] Shoe Express S.A. shares are held by: CCC Shoes & Bags Sp. z o.o. (95%) and CCC.eu Sp. z o.o. (5%).

[10] DeeZee Sp. z o.o. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (75%).

[11] OFP Austria GmbH is a subsidiary of HalfPrice Sp. z o.o. (100%).

[12] On 8 February 2023, following fulfilment of the conditions precedent under a preliminary share purchase agreement, the Group acquired control of CCC Ukraina Sp. z o.o. of Lviv. As a result of the transaction, CCC S.A. acquired 75.1% of shares in CCC Ukraina for a price of PLN 23.8m, offset against claims between a CCC Group entity and the existing shareholder of CCC Ukraina. The transaction was accounted for in 2023. For details of the acquisition, see Note 6.2.

[13] On 5 February 2024, CCC Tech Sp. z o.o. of Polkowice, a wholly-owned subsidiary of CCC S.A., was entered in the National Court Register.

[14] On 12 April 2023, the Management Board of HR Group filed for bankruptcy with the District Court of Osnabrück.

[15] Pronos Sp. z o.o. shares are held by CCC Shoes & Bags Sp. z o.o. (24.9%).

CHANGES IN THE ORGANISATION OF THE CCC GROUP IN THE PERIOD FROM 1 FEBRUARY 2023 TO 31 JANUARY 2024

Execution of a conditional agreement to acquire 75.1% of shares in CCC Ukraina Sp. z o.o. On 7 July 2023, the liquidation of CCC Austria GmbH was concluded, and on 30 November 2023 CCC Factory Sp. z o.o. and CCC.eu Sp. z o.o. merged. As a result, CCC Factory Sp. z o.o. ceased to exist.

CHANGES IN THE ORGANISATION OF THE CCC GROUP AFTER THE REPORTING DATE

On 5 February 2024, CCC Tech Sp. z o.o. of Polkowice was registered as a subsidiary of CCC S.A., with the Company holding a direct 100% equity interest. The amount of the investment was PLN 5,000. CCC Tech Sp. z o.o. was established to spin off IT services from the broader framework of the CCC Group. The principal business activity of the new company is the provision of IT services to CCC Group companies as well as to entities outside the CCC Group. For this purpose, an organised part of the enterprise was spun off within CCC.eu Sp. z o.o. and transferred to CCC Tech Sp. z o.o., in return for new shares.

On 24 January 2024, the Management Board of Modivo S.A. signed an agreement to establish Ecip Modivo Kft., based in Budapest (Hungary). The company was registered on 15 February 2024. Its principal business activities include the retail sale of footwear and accessories.

On 14 February 2024, the Management Board of Modivo S.A. signed the articles of association of Fashion Tech Solutions Sp. z o.o., based in Warsaw (Poland). The company was established to sell information and communication technology tools, to conduct software-related activities, and to provide IT services.

CHANGES IN MANAGEMENT APPROACH / MANAGEMENT STRUCTURES IN THE PERIOD FROM 1 FEBRUARY 2023 TO 31 JANUARY 2024

On 11 May 2023, Marcin Czyczerski resigned as President of the Company’s Management Board, with effect from 11 May 2023.

On 11 May 2023, Dariusz Miłek resigned as Chairman and member of the Company’s Supervisory Board, with effect from 11 May 2023, and was appointed by the Company’s Supervisory Board as President of the Company’s Management Board.

On 6 June 2023, Adam Holewa resigned as Vice President and member of the Company’s Management Board, with effect from 12 June 2023.

On 12 June 2023, the Annual General Meeting appointed Marcin Stańko and Piotr Kamiński to the Supervisory Board. On the same day, the General Meeting appointed Wiesław Oleś as Chairman of the Supervisory Board.

CHANGES IN MANAGEMENT APPROACH / MANAGEMENT STRUCTURES OF THE CCC GROUP AFTER THE REPORTING DATE

No such changes occurred after the reporting date.

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15. EMPLOYEES OF THE CCC GROUP

The CCC Group's employees are a vital asset of the organisation – every day they work towards the achievement of the objectives set out in the Group's strategy, enhancing its growth potential. Employee commitment and efficiency translates into our Customers' and Shareholders' satisfaction.

WORKFORCE STRUCTURE

As at the reporting date, the CCC Group's headcount was 15,478, having remained stable year on year. Store personnel continue to be the largest employee category (accounting for about 74% of total workforce), with administrative staff accounting for just under 17% and logistics personnel representing the smallest share of total workforce.

	31 Jan 2024		31 Jan 2023		31 Jan 2022		31 Jan 2021		31 Jan 2020	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
All employees										
Store employees	10,490	930	8,823	763	9,937	834	7,499	428	8,186	467
Production personnel	0	0	0	2	7	3	555	94	764	153
Logistics employees	942	416	1,160	535	859	318	774	436	822	579
Administrative staff	1,869	831	2,894	1,241	2,226	1,021	1,566	541	1,444	569
All employees	**13,301**	**2,177**	**12,877**	**2,541**	**13,029**	**2,176**	**10,394**	**1,499**	**11,216**	**1,768**

EMPLOYMENT OF PEOPLE WITH DISABILITIES

The working conditions enable employment of people with disabilities. As at 31 January 2024, the Group employed 468 people with disabilities, accounting for 3% of total workforce.

CCC S.A. EMPLOYEES

WORKFORCE STRUCTURE

As at 31 January 2024, CCC S.A. employed 4,574 staff, 16% less than a year earlier.

CCC S.A.'s workforce includes mainly store employees, who accounted for 96% of all employees in the last financial year. Administrative staff account for 4% of the total workforce.

	31 Jan 2024		31 Jan 2023		31 Jan 2022		31 Jan 2021		31 Jan 2020	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
All employees										
Store employees	4,276	119	4,439	199	4,944	161	3,834	109	4,428	157
Logistics employees	1	2	424	142	532	230	524	230	552	296
Administrative staff	120	56	147	88	170	115	149	64	227	71
All employees	**4,397**	**177**	**5,010**	**429**	**5,646**	**506**	**4,507**	**403**	**5,207**	**524**

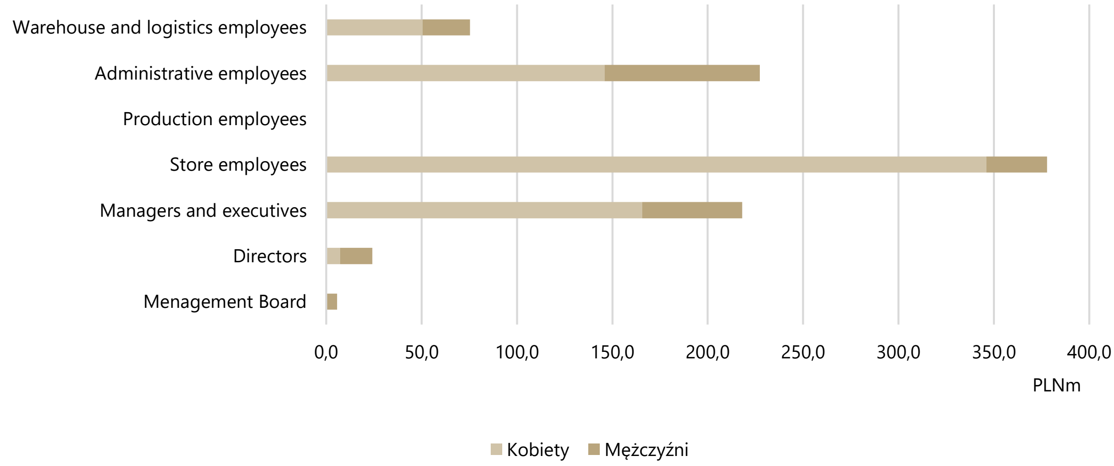
EMPLOYMENT OF PEOPLE WITH DISABILITIES

The working conditions at CCC S.A. enable employment of people with disabilities. As at 31 January 2024, the Company employed 280 people with disabilities, representing approximately 6% of its total workforce.

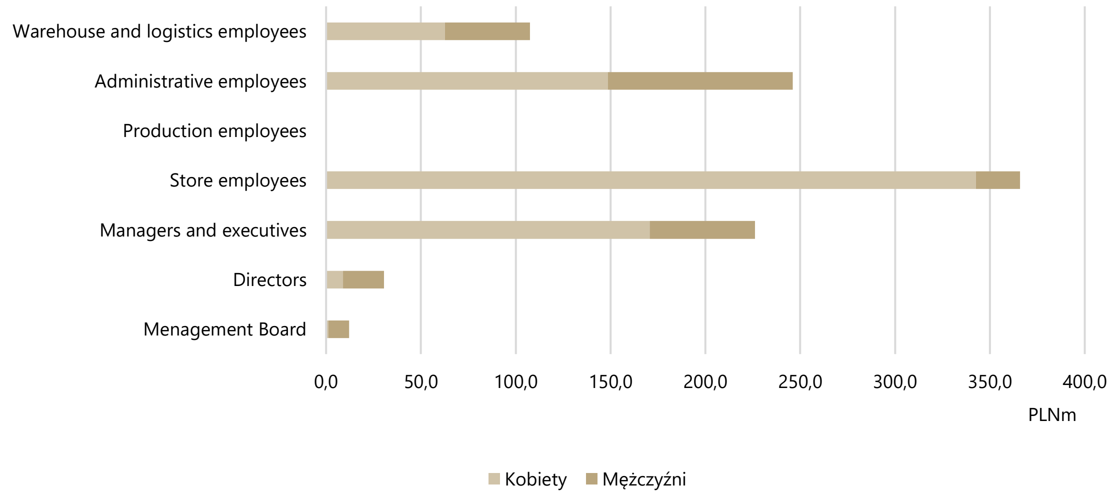
REMUNERATION POLICY FOR ALL CCC GROUP EMPLOYEES

The Group's remuneration policy is based on the principle of equality, which means the amount of remuneration depends on an employee's skills, competencies, and dedication.

In 2023, the relative shares of remuneration in the CCC Group were as follows:



In 2022, the relative shares of remuneration in the CCC Group were as follows:



DEVELOPMENT PROGRAMMES FOR EMPLOYEES

The CCC Group firmly believes that any company's success largely depends on the know-how, expertise, experience, and dedication of its employees. Hence, we place a strong emphasis on fostering a distinctive approach to human resources management and cultivating positive inter-employee relationships. We are committed to ensuring that our Human Resources Policy is grounded in core ethical principles, mutual respect, and equal opportunities for employment, professional and personal development, and promotion. Additionally, we prioritise building a diverse workplace, as we are deeply convinced that diversity is a critical asset for securing competitive advantage. This conviction is rooted in our experience, which shows that bringing together diverse perspectives, opinions, work styles, abilities, and backgrounds unlocks new potentials, encourages the creation of new value, and leads to superior business outcomes.

In the financial year 2023, we implemented the following initiatives to deliver on our goals relating to our responsibility towards people as set out in the CCC Group's Sustainable Development Strategy:

Year of CCC Values	Our recruitment, onboarding and development processes were based on the Group's values, communicated using practical examples with relevant training for managers.
Talent Hunt Programme	An employee referral programme implemented to promote employee engagement and attract top talent.
Recruitment process	- Implementation of recruitment satisfaction surveys for managers, candidates and internally recruited employees.
	- Quarterly recruitment planning introduced to enable informed personnel cost management.
Onboarding process	- Monthly online sessions held with experts in key business areas.
	- T-Shirt Day – office staff support store operations during a peak season in a project that has been added as a permanent fixture to the onboarding programme for office employees, who visit a store of their choice during their first week of work.
Training	- An e-learning course with certification launched on values-based recruitment and meaningful feedback for managers and directors.
	- A series of training sessions held for all employees to develop the following skills:
	- cooperation and team building
	- innovation and entrepreneurship
	- team's strength in diversity
	- communication with internal and external customers
	- planning of store work schedules.
Employee development programmes	- First Time Manager, continuation of a series of training courses under the leadership development programme for new and future leaders.
	- Top Leader's School, a regular series of training sessions for top store managers, including certification.
	- Leader's School, a regular series of training sessions for store managers, including certification.
- High Performing Team	Workshops on how to build high performing teams. Workshop participants worked to enhance team performance and to increase team commitment and cooperation.

Training and education

The primary objective of our employee development policy is to enhance employee skills, foster a culture of knowledge sharing, and tailor our training efforts to meet specific business requirements, while concurrently addressing any skill gaps among our staff. In 2023, as part of our ongoing commitment to increasing the expertise of our employees, we implemented a variety of training programmes and individual educational initiatives aimed at specific employee groups, focusing on a number of key areas, including:

Retail	Administration
- Team management	- Own brand building
- Situational leadership	- Leadership skills enhancement
- Self-presentation	- Team communication
- Delegating tasks	- Collaboration and team building, communication with internal and external customers, innovation and entrepreneurship, diversity
- Advanced sales techniques	- SAP skills development
- Assertive behaviour	- GDPR knowledge enhancement
- Effective communication	- Excel
- Workday planning	- Negotiation skills development
- Business analytics	- AgilePM methodology training
- Training to improve product knowledge and customer service standards	- Cyber security
- Onboarding	
- Sales techniques	

Moreover, at the CCC Group, we routinely hold Development Conversations, which are dedicated to enhancing employees' awareness of their strengths and areas for improvement and to aiding in the development of their skills. This dialogue aims to boost employee effectiveness and the quality of their efforts in meeting set targets and executing personal development plans. The methodology behind Development Conversations is crafted to create a synergy between employee' performance and their potential for personal and professional growth. The conclusions of these appraisals are subsequently leveraged for more strategic career planning and the attainment of business objectives.

Throughout 2023, training focused on development conversations was provided to all staff members, coupled with consultations with managers on the quality of objectives assigned to employees. Moreover, beyond the training programmes offered during regular working hours, employees were given opportunity to engage in third-party educational initiatives. This included participation in training courses, conferences, symposia, seminars, and workshops, along with the option to receive full or partial tuition subsidies for specific academic programmes.

Employee upskilling programmes cover the Group companies and are tailored to their business profile and headcount.

So far, the CCC Group has not provided any training or assistance to upgrade employee skills during a transition period or manage career endings resulting from retirement or termination of employment.

CCC International L&D Briefing

In 2023, we continued our international collaborations in employee training and development through a series of regular meetings that effectively addressed the employee training and development needs across our foreign geographies.

BACK TO SCHOOL, HALLOWEEN AND BLACK FRIDAY

These initiatives combine sales and marketing efforts with a strong focus on training designed to bolster our sales teams' business acumen. The training resources were developed in collaboration with partners from across our foreign geographies.

ATTRACTING AND RECRUITING TALENT

As the CCC Group invests in employees to retain them for the long term, it values their experience and commitment, promoting internal recruitment and succession. Each recruitment process is conducted both outside and inside our organisation, as we are keen on having our employees engage in these processes.

The goal of our recruitment efforts is to attract top candidates with the requisite skills and expertise, who will not only efficiently carry out their responsibilities but also show initiative and deliver specific objectives. The recruitment process ensures equal opportunities and objective assessment of candidates with the use of appropriate selection tools. The organisational aspects of this process are provided for in the Recruitment Procedure. The recruitment process is invariably guided by the highest ethical standards, derived from our core values, Code of Ethics, and Diversity Policy. Additionally, the CCC Group is committed to promoting equal employment opportunities for people with disabilities.

The CCC Group implements various initiatives extending beyond standard recruitment announcements to reach potential candidates for a job. It establishes collaborative partnerships with universities across Poland, runs recruitment campaigns on social media, searches for and contacts potential candidates directly, collaborates with Job Centres, local websites and the press.

Candidates are encouraged to visit kariera.ccc.eu in order to learn more about CCC and the development opportunities it offers. In order to maintain smooth communication with candidates during the recruitment process, the Applicant Tracking System (ATS), is used allowing the Group to efficiently manage the recruitment process, from the creation of a job ad to the selection of the best candidate. The CCC Group is committed to employee development, therefore every recruitment process is initiated internally and communicated to the sales, warehouse, office and administrative personnel.

The CCC Group also focuses on the development of young talent – in 2023 it organised the Summer Camp, i.e., paid summer work placements for the best students and graduates across various business areas. A notable 76% of the interns chose to extend their collaboration with us. Moreover, in 2023 we continued with our proprietary Design Hub project, which focuses on cultivating young artistic talents by offering apprenticeships at product development, creative design, visual merchandising, marketing, and other creative departments.

In the pursuit of our strategy to attract the best talent and leaders, we have implemented the 'Talen Hunt' programme of employee referrals to promote employee engagement and attract top talent. The programme was rolled out at CCC and HalfPrice.

We launched e-learning training courses on the fundamentals of labour law for hiring managers. Their aim is to increase the knowledge of labour law requirements and thus to ensure more efficient recruitment, employment, and offboarding processes. We also consistently hold workshops for managers aimed at enhancing their expertise in labour law issues.

In 2023, we also continued to survey both managers and candidates on their satisfaction with the recruitment process. Based on this feedback, we implement improvements to ensure the highest quality of this process.

COMMUNICATION

At the CCC Group, one of the strategic areas of the sustainable development strategy is a commitment to staff well-being. In 2022, based on earlier surveys, we developed our Human Resources Strategy for 2022–2025 with the vision of 'Building #1 Omnichannel FashionTech platform in CEE by 2025' and 'Building a culture to attract, develop and engage top talent and leaders (for a long-term success)'.

The two key strategic pillars 'Culture and People' and 'Talent and Development' have been narrowed down to key projects in the strategic scorecards within the three key areas:

1) 'Attracting Top Talent' – focused on recruitment, workforce sourcing and employer branding activities;
2) 'Developing Talent' – based on development plans, leadership model and year-round performance reviews;
3) 'Creating an engaging work environment' – activities designed to build a consistent and attractive employee value proposition and a consistent and friendly work culture at CCC.

Key objectives of the HR strategy have been incorporated into the GO.25 business strategy.

Values underlie our key recruitment, on boarding and development processes. A graphic representation of our values appears in key communication materials and on promotional items we distribute to employees and candidates. There is also an Ambassadors programme in place fostering the CCC Group's value-driven culture, in which employees have a chance to engage in image building projects.

In line with the CCC Group's strong commitment to upholding high standards of ethical business conduct, an Ethics Officer has been working at the Company since 2022 to oversee our organisation's compliance with its Code of Ethics. In 2023, the Code was updated. The Ethics Officer's key responsibilities include the implementation of processes and procedures to prevent misconduct and taking adequate action if a breach of law, internal rules, or ethical standards is reported.

For more information on employee matters, see the 'Employee' section of the Non-Financial Report.

16. ENGAGEMENT OF THE CCC GROUP

NON-FINANCIAL INFORMATION

an integral part of the Directors' Report. The Sustainability Report has been prepared following the Corporate Sustainability Reporting Directive (CSRD) and the new European Sustainability Reporting Standards (ESRS), and has been audited by an independent certification body. It addresses areas identified as material by the Group stakeholders in a dedicated Materiality Assessment. These areas encompass environmental issues, particularly those related to climate change, the social dimension, including the value chain, corporate governance, and due diligence processes. Furthermore, the Group reports key performance indicators, greenhouse gas emissions across all three scopes, and risks associated with the Group's activities (including climate risks) as well as measures applied to manage them.

In addition, in accordance with Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, the Sustainability Report contains EU Taxonomy-related disclosures.

The EU Taxonomy is framework allowing companies to show what proportion (%) of their business, analysed by turnover, capital expenditures (CapEx) and operating expenditures (OpEx), is environmentally sustainable.

In order to ensure compliance with this framework, a four-stage process was carried out:

1) Identification

This stage involved a comprehensive review of all operations of CCC S.A. and its subsidiaries to determine whether, and if so, which types of activities are Taxonomy-eligible. The review covered the Group companies' revenues, capital expenditure, and operating expenditure. To identify the specific types of activities, we relied on the activity descriptions included in the relevant annexes to Commission Delegated Regulations (EU) 2021/2139 and 2023/24862.

2) Allocation

This stage consisted in allocating the adequate amounts of turnover, capital expenditure and operating expenditure to the individual activities identified in the previous stage.

3) Verification

This stage was dedicated to performing two distinct evaluations:

Firstly, each identified activity was examined to determine whether it qualifies as contributing substantially to climate change mitigation or climate change adaptation or causes no significant harm to any of the other environmental objectives in accordance with the Technical Screening Criteria (TSC) as set out in the relevant annexes to Commission Delegated Regulation (EU) 2021/2139.

Secondly, compliance with the Minimum Safeguards under Article 18 of Regulation 2020/852 was assessed.

4) Calculation

This stage involved using the results of the two previous stages to compile tables with the required disclosures and to formulate these complementary disclosures in accordance with the requirements of Annexes I and II to Commission Delegated Regulation (EU) 2021/2178.

Compliance with the Minimum Safeguards was assessed in line with the recommendations provided in the Platform on Sustainable Finance's Final Report on Minimum Safeguards[1]. According to these recommendations, non-compliance with the Minimum Safeguards can arise from one of four scenarios:

1) inadequate or non-existent corporate due diligence processes on human rights, including labour rights, bribery, taxation, and fair competition;

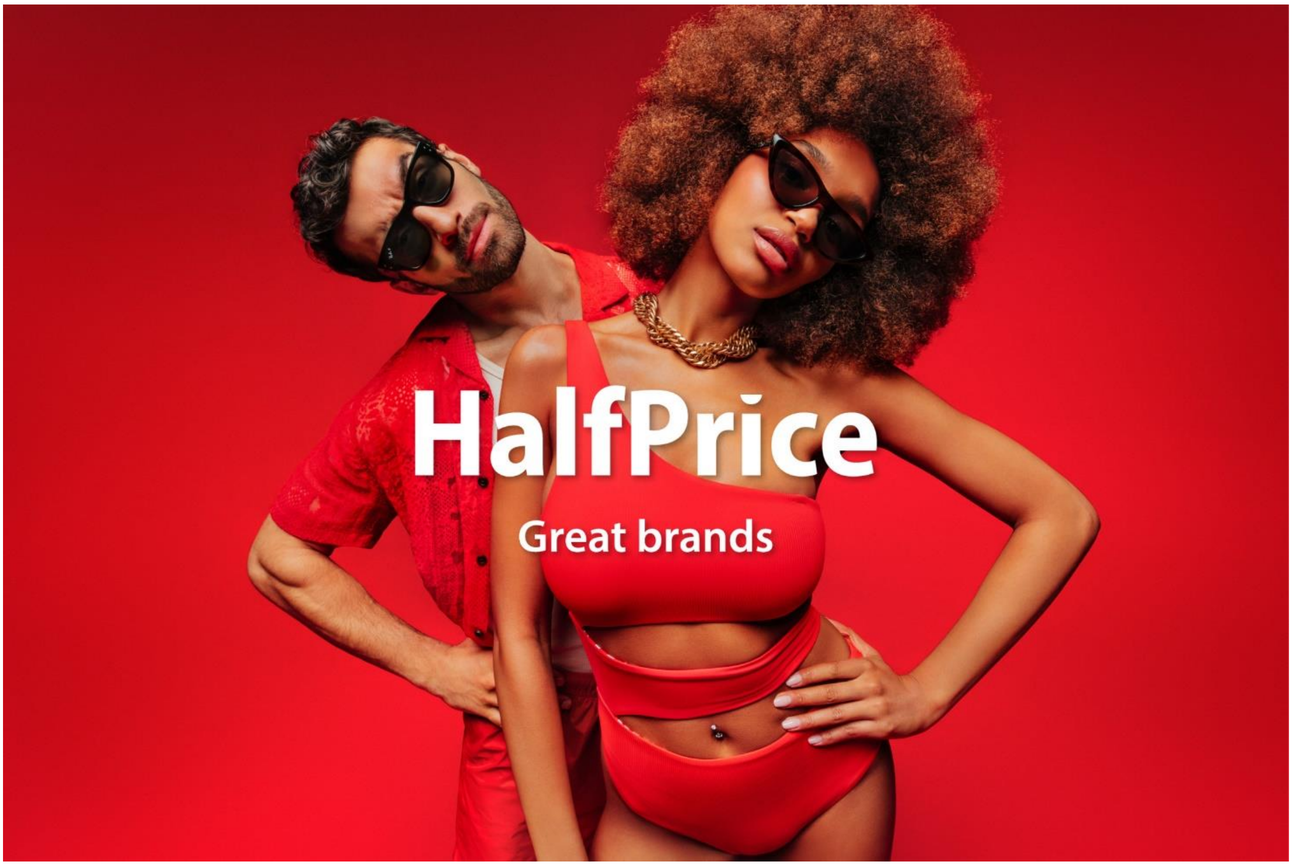
2) final liability of the company in respect for breaches of labour or human rights laws in certain types of labour or human rights legal cases;

3) the lack of collaboration with an OECD National Contact Point (OECD NCP) on a report received by the OECD NCPl

4) Failure to respond to allegations by the Business and Human Rights Resource Centre (BHRRC) within three months.

The Minimum Safeguards and Technical Screening Criteria guidelines apply to all Group companies.

The Sustainability Report serves the Group's key stakeholders as a source of reliable information on material aspects of the CCC Group's operations. For more information, see https://corporate.ccc.eu/



17. REPRESENTATIONS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

Representation of the Management Board on accuracy of the financial statements

To the best of the knowledge of the Management Board of CCC S.A., the full-year consolidated and separate financial statements and the comparative data have been prepared in compliance with the applicable accounting standards and give a true, clear and fair view of the CCC Group's assets, financial standing and financial results. The Directors' Report on the operations of the CCC Group gives a fair view of the Group's development, achievements and standing, and includes a description of key risks and threats.

Representation by the Supervisory Board and information on the auditor

Pursuant to Par. 70.1.7 and Par. 71.1.7 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 29 March 2018, the Supervisory Board of CCC S.A. represents that:

- On 24 May 2021, the Supervisory Board passed a resolution to extend the engagement of Ernst & Young Audyt Polska Sp. z o.o. Sp. k. of Warsaw, entered in the list of statutory auditors of financial statements maintained by the National Council of Statutory Auditors under Reg. No. 130, to review the half-year financial statements of CCC S.A. and the half-year consolidated financial statements of the CCC Group for the periods from 1 February to 31 July 2022 and from 1 February to 31 July 2023 and to audit the full-year separate financial statements of CCC S.A. and the full-year consolidated financial statements of the CCC Group for the years ending 31 January 2023 and 31 January 2024;
- On 26 February 2024, the Supervisory Board resolved to extend the engagement of Ernst & Young Audit Polska Sp. z o.o. Sp. k. of Warsaw, entered in the list of statutory auditors of financial statements maintained by the National Council of Statutory Auditors under Reg. No. 130, to review the half-year financial statements of CCC S.A. and the half-year consolidated financial statements of the CCC Group for the periods:

  from 1 February to 31 July 2024,
  from 1 February to 31 July 2025, and
  from 1 February to 31 July 2026,

  and to audit the full-year separate financial statements of CCC S.A. and the full-year consolidated financial statements of the CCC Group for the financial years 2024–2026;
- The audit firm auditing the full-year separate and consolidated financial statements was appointed in accordance with applicable laws;
- The audit firm and the auditors performing the audit on its behalf met the conditions required to prepare an impartial and independent audit report on the full-year separate and consolidated financial statements, in accordance with the applicable laws, professional standards and principles of professional ethics;
- AT CCC S.A. and the CCC Group the laws governing rotation of audit firms and lead auditors and mandatory cooling-off periods are observed;
- CCC S.A. has in place a policy governing the selection of an audit firm and a policy governing the provision to the Company by the audit firm, its affiliate or a member of its network of additional non-audit services, including services conditionally exempt from the prohibition on provision of certain non-audit services by the audit firm.

Pursuant to Par. 70.1.14 and Par. 71.1.12 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 29 March 2018, and pursuant to Art. 382.3 of the Commercial Companies Code, the Supervisory Board of CCC S.A. represents that it has assessed the following documents submitted by the Management Board:

- Directors' Report on the operations of the CCC Group in the period from 1 February 2023 to 31 January 2024,
- separate financial statements of CCC S.A. for the period from 1 February 2023 to 31 January 2024,
- consolidated financial statements of the CCC Group for the period from 1 February 2023 to 31 January 2024.

Following the assessment, the Supervisory Board has concluded that the Directors' Report on the operations of the CCC Group meets, in all material respects, the requirements set out in Art. 49 and Art. 55.2a of the Accounting Act and in the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 29 March 2018, and that the information provided in the report is consistent with the data presented in both the audited separate financial statements of the Company and the consolidated financial statements of the CCC Group for the reporting period from 1 February 2023 to 31 January 2024.

Moreover, the Supervisory Board is satisfied that the separate financial statements, the consolidated financial statements, and the Directors' Report on the operations of the CCC Group for the period from 1 February 2023 to 31 January 2024, submitted by the Company's Management Board, accurately and transparently provided all necessary and pertinent information for assessing the assets and financial standing of both the Company and the Group. These documents are consistent with the underlying accounting records, documents, and facts.

The Supervisory Board positively evaluates the separate financial statements, the consolidated financial statements, and the Directors' Report on the operations of the CCC Group for the period from 1 February 2023 to 31 January 2024, based on:

- the contents of the financial statements and report submitted by the Management Board;
- the final drafts of the audit reports prepared by the independent auditor, Ernst & Young Audyt Polska Sp. z o.o. sp. k. of Warsaw, covering the audit of the Company's separate financial statements and the CCC Group's consolidated financial statements. This also includes the supplementary report for the Audit Committee, prepared in compliance with Article 11 of Regulation (EU) No 537/2014 of the European Parliament and of the Council dated 16 April 2014, which outlines specific requirements regarding the statutory audit of public-interest entities and annuls Commission Decision 2005/909/EC, and in line with the Act on Statutory Auditors, Audit Firms, and Public Oversight dated 11 May 2017;
- meetings with representatives of the audit firm, including with the lead auditor;
- information provided by the Audit Committee on the course, results and relevance of the audit for the reliability of the Company's financial reporting, as well as the Audit Committee's role in the audit of the financial statements;
- assessment of the effectiveness of the internal control, risk management and compliance systems and functions as well as the effective internal audit function;
- findings of other inspections performed in the selected financial and operating areas.

Consolidated Directors' Report on the operations of the CCC Group for the 12 months from 1 February 2023 to 31 January 2024 (all amounts in PLN million unless stated otherwise)

AUDITOR'S FEES	1 Feb 2023–31 Jan 2024	1 Feb 2022–31 Jan 2023
CCC Group and CCC S.A.		
Audit and reviews of financial statements	0.9	0.9
SUBSIDIARIES		–
Audit and reviews of financial statements	0.9	0.6
Other services	0.4	0.8
TOTAL	**2.2**	**2.3**

18. OTHER INFORMATION

Parent’s branches (establishments)

As at the reporting date, the Parent had no branches (establishments).

Major R&D achievements

Not applicable.

Key capital and equity investments within the Group in the financial year.

The subsidiaries did not make any significant capital or equity investments in the reporting period. Any cash surplus is used to repay debt under overdraft facilities.

Basis of preparation of the Directors’ Report

This Directors' Report on the operations of the CCC Group and CCC S.A. covers the reporting period from 1 February 2023 to 31 January 2024, and the comparative period from 1 February 2022 to 31 January 2023. The Directors' Report was prepared in compliance with the separate financial statements as well as current and periodic reports. The Directors’ Report is consistent with Par. 71.3 and Par. 71.4 of the Minister of Finance’s Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 29 March 2018, and contains elements required under Par. 68.5-6 applicable to issuers of securities in the manufacturing, construction, trade, and services sectors. Art. 55.2.5 in conjunction with Art. 49.2, Art. 49.3 and Art. 63d. of the Accounting Act of 29 September 1994 also apply. In the case of the Rules of the Warsaw Stock Exchange, Sections 29.1, 29.2, 29.3 and 29.5 apply.

Contracts/agreements between the Company and the management staff

Not applicable.

Pending litigation, arbitration or administrative proceedings

CCC S.A. is not party to any court proceedings where value of the dispute would exceed 10% of the Company's equity.

Consolidated Directors' Report on the operations of the CCC Group for the 12 months from 1 February 2023 to 31 January 2024 (all amounts in PLN million unless stated otherwise)

Share buy-back

In the reporting period, CCC S.A. did not perform any buy-back of its own shares.

Restrictions on voting rights at the Company

In the reporting period, there were no restrictions on the exercise of voting rights at the Company.

Significant events subsequent to the reporting date that may have a material effect on the Company's future financial performance

On 5 February 2024, CCC Tech Sp. z o.o. of Polkowice was registered as a subsidiary of CCC S.A., with the Company holding a direct 100% equity interest. The amount of the investment was PLN 5,000. CCC Tech Sp. z o.o. was established to spin off IT services from the broader framework of the CCC Group. The principal business activity of the new company is the provision of IT services to CCC Group companies as well as to entities outside the CCC Group. For this purpose, an organised part of the enterprise was spun off within CCC.eu Sp. z o.o. and transferred to CCC Tech Sp. z o.o., in return for new shares.

On 12 February 2024, holders of CCC0626 bonds (Series 1/2018) were called upon to submit requests for early redemption of bonds under the Pari Passu clause. The voluntary early redemption concerned a maximum total nominal value of PLN 20.6m, with a maximum of 20,565 bonds eligible for redemption. Pari Passu Redemption requests were made for redemption of 97,843 bonds. A total of 20,565 bonds were redeemed on 21 March 2024, with interest accrued on the redeemed bonds up to the redemption date paid.

On 26 January 2024, the Management Board of Modivo S.A. signed an agreement to establish Ecip Modivo Kft., based in Budapest (Hungary). The company was registered on 15 February 2024. Its principal business activities include the retail sale of footwear and accessories.

On 14 February 2024, the Management Board of Modivo S.A. signed the articles of association of Fashion Tech Solutions Sp. z o.o., based in Warsaw (Poland). The company was established to sell information and communication technology tools, to conduct software-related activities, and to provide IT services.

The consolidated financial statements were authorised for issue by the Management Board on 5 April 2024.	
Signatures of all Management Board members:	
Dariusz Miłek	President of the Management Board
Karol Półtorak	Vice President of the Management Board
Igor Matus	Vice President of the Management Board