

Conclusion of a loan agreement with a consortium of banks for new financing of the Issuer and its subsidiaries

(Current Report No. 23/2024)

12.07.2024 /Issuer/

Legal basis:

Article 17 sec. 1 MAR - confidential information

The Management Board of CCC S.A. based in Polkowice (hereinafter: "**Issuer**") informs that on July 12, 2024. The Issuer and its selected subsidiaries entered into a loan agreement up to a total amount of PLN 1,800,000,000 (hereinafter: "**Loan Agreement**") for the purpose of refinancing financial debt and financing the operations of the Issuer and selected CCC Group companies excluding Modivo S.A. (hereinafter: "**CCC Business Unit**") with BNP Paribas Bank Polska S.A., European Bank for Reconstruction and Development (EBRD), Bank Polska Kasa Opieki S.A. (Collateral Agent), Powszechna Kasa Oszczędności Bank Polski S.A., Santander Bank Polska S.A., mBank S.A. (Loan and ESG Agent) and Bank Handlowy w Warszawie S.A. The loans will be secured in part by guarantees from KUKE (Korporacja Ubezpieczeń Kredytów Eksportowych) up to a total of PLN 750,000,000.

The Issuer and HalfPrice sp. z o.o. and CCC.eu sp. z o.o. as borrowers will use:

1. Term loan in the amount of PLN 600,000,000 amortized over 5 years,
2. Revolving credit in the form of: revolving credit, overdraft, reverse factoring, guarantees and letters of credit up to a total of PLN 1,200,000,000, available for a period of 2 years, with the possibility of extension up to a total of 5 years.

Under the use of the loans, the Issuer will repay existing debts to banks financing the CCC Business Unit's operations. From the tranche mobilized until December 31, 2024. The Issuer will redeem the Series 1/2018 bonds issued pursuant to the Terms and Conditions of Bond Issuance dated June 21, 2018.

In addition, the company has a term loan of up to PLN 360,000,000 available for the redemption of PFR bonds (current report 62/2021 dated September 22, 2021) and the financing of HalfPrice Ltd.'s new logistics warehouse, which banks may grant with the approval of the majority lenders.

The disbursement of loans requires the fulfillment of standard conditions precedent to disbursement in transactions of this type, including the delivery to lenders of standard documents and certificates, an information package, copies of registers, opinions of legal advisors, and the conclusion of financing security documents in an agreed form.

The loan documentation takes into account the implementation of the ESG goals adopted by the CCC Group in the CCC Group Sustainable Finance Framework. The loan documentation complies with the *Loan Market Association* (LMA) standard.



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The guarantors of the borrowers' obligations are CCC Shoes & Bags sp. z o.o., CCC Tech sp. z o.o., CCC Czech, s.r.o., CCC Hungary Shoes Kft. and Shoe Express SA.

The conclusion of the new financing agreement, as envisaged, significantly optimizes the bank debt structure of the CCC Business Unit. The new financing structure provides the Issuer with greater flexibility, including through increased limits on bank guarantees and letters of credit and reverse factoring, as well as reducing financing costs and providing for higher limits on available capital expenditures. The above, in the Issuer's opinion, will help strengthen profitability and cash flow, as well as unlock the potential for further development of the CCC Group's unique business model, particularly through further expansion of the rapidly growing and promising HalfPrice banner.

Sigatures:

1/ Karol Pótorak - Vice President of the Management Board

2/ Łukasz Stelmach - Proxy