

Agreeing on settlements with the financing institutions

(Current Report No. 24/2020)

24.04.2020 /Issuer/

Legal basis:

Article 17 sec.1 of MAR - confidential information

The Management Board of CCC S.A. based in Polkowice (hereinafter: "Issuer"), with reference to current reports no. 11/2020 as of 23 March 2020 and no. 14/2020 as of 31 March 2020, informs that on 24 April 2020 Credit Committees of BNP Paribas Bank Polska S.A., Bank Handlowy in Warsaw S.A., Bank Millennium S.A., Bank Polska Kasa Opieki S.A., mBank S.A., Powszechna Kasa Oszczędności Bank Polski S.A., Santander Bank Polska S.A. and Santander Factoring Sp. z o.o., as the Creditors, agreed to conclude agreements between the Creditors, the Issuer and with selected companies of the Issuer's Group as the obliged parties ("Obliged Parties"), on specific terms of maintaining financing ("Agreement") concerning the Issuer's and the Issuer's Capital Group's total financial liabilities ("Group"). Neither eobuwie.pl S.A. nor its subsidiaries are parties to the Agreement. The agreement referred to below, after its conclusion, shall remain in force until 30 April 2021.

On 24 April 2020 The Issuer and the Creditors also completed the negotiation of the Agreement. The Agreement will be concluded and enter into force upon its signature by the last Creditor. After conclusion and entry into force of the Agreement, the Issuer shall publish a current report updating the information contained in this report.

In connection with the granting of consent to conclude the Agreement, each of the Creditors confirmed that they conduct credit analyses related to granting the Company additional financing in the form of a loan, secured by a surety granted by Bank Gospodarstwa Krajowego ("BGK") in the amount of PLN 200 million granted in accordance with the provisions of the Act of 2 March 2020 on special solutions related to the prevention, prevention and combating of COVID-19, other infectious diseases and crisis situations caused by them (Journal of Laws, item 374).

The Issuer has applied for a PLN 250 million loan to the Issuer's Group from PKO BP Bank, which will act as Creditors Coordinator on 16 April 2020. The Issuer's application is in the process of credit procedure and confirmation from BGK of the terms of the surety.

The main provisions of the agreed draft Agreement are as follows:

The Agreement provides for maintaining the availability of financial products, ensuring the availability on the existing terms and conditions of the limits granted on the basis of the applicable documents and extending the availability period of financial instruments, including the availability periods: credits, factoring, guarantee limits and limits for forward transactions, granted, delivered or issued by the Creditors to the Issuer and Liabilities until 30 April 2021 The total amount of funding available at 31 March 2020 will remain available for the period until 30 April 2021.

The Parties agreed to maintain the previous arrangements contained in the Agreement as of 31 March 2020 (cf. current report 14/2020) concerning the deferral of payments on account of the repayment of negative balances, the payment of interest and commissions and other fees and any other amounts that have become or will become due or payable by 30 June 2020. All other arrears arising

after 20 March are due by 30 September 2020 and the conditions for their repayment after that date are specified.

The Agreement contains a number of standard terms and conditions relating to the Creditors' obligations, such as, inter alia, no demand for repayment of the existing financial debt, no securing and enforcing claims, a ban to provide additional security by the Creditors, an obligation not to increase any fees, commissions or margins, not to introduce additional fees or commissions, an obligation to make credit, factoring and other financial instruments used by the Issuer's Group available to the Issuer on an equal basis.

The following have been identified as cases of breach of the Agreement by the Issuer entitling the Creditors to terminate the Agreement

- placing a material financial debt before the agreed payment date as a result of non-performance or improper performance or other breach;
- failure to meet the financial ratio, i.e. maintaining the cash balance in the Issuer's Group at a level not lower than PLN 40 million;
- failure to provide the Creditors with the agreed information package;
- by 5 May 2020 the Creditors will confirm whether the resolutions of the Bondholders' Meeting of bonds series 1/2018 as of 22 April 2020 (cf. Current Report No. 22/2020) are consistent with the provisions of the Agreement.

Until 30 June 2020 the Issuer should obtain an additional amount of not less than PLN 300 million from the issue of new shares.

Agreement together with a resolution adopted by the Bondholders' Meeting on 22 April 2020 (in accordance with Current Report No. 22/2020) is an element of the Issuer's plan to stabilise the Group's financing in connection with administrative decisions to close down offline stores as a consequence of COVID-19.

Signatures:

1/ Marcin Czyczerski - President of the Management Board

2/ Karol Półtorak - Vice-President of the Management Board