

## **Revaluation of financial instruments on account of acquisition options and recognition of tax asset under the zone relief**

### **(Current Report No 5/2020)**

25.02.2020 /Issuer/

Legal basis:

Article 17 sec.1 MAR - confidential information

The Management Board of CCC S.A. based in Polkowice (hereinafter: "Issuer"), informs that as a result of work on the consolidated financial statements of the Capital Group, it made significant revaluations.

1. In relation to the concluded agreements on options to acquire minority stakes in companies eobuwie.pl S.A. based in Zielona Góra, HR Group Holding S.à r.l. based in Luxembourg, DeeZee Sp. z o.o. based in Skawina and Karl Voegele AG based in Uzny, the forecasts received from the above-mentioned companies were revised, which are the main parameter affecting the valuation of financial instruments due to the acquisition of options.

As a result of the above, the Management Board of the Group adopted a resolution on revaluation of the balance sheet items described in the table attached to this report.

The revaluation of financial instruments due to the acquisition of options will have a positive impact on the Group's financial result and will amount to PLN 2.9 million. This value consists of:

- the total impact of the measurement of liabilities due to the redemption of non-controlling interests on:
  - financial income of PLN 108.3 million,
  - financial costs PLN 1.8 million,
- impact of the valuation of financial instruments due to the redemption of shares in associates in the amount of PLN 103.6 million.

The values presented above are estimates and subject to change. The final results of the valuation of financial instruments will be presented in the consolidated financial statements for 2019, the publication of which is planned for 6 March 2020.

2. Due to the investment outlays incurred by eobuwie.pl Logistics Sp. z o.o. for the construction of a logistics centre located in a special economic zone, eobuwie.pl Logistics Sp. z o.o. is entitled to take advantage of the zone relief. After meeting the requirements resulting from the Decision of the Minister of Entrepreneurship and Technology on the support No. 01.2018 granted to eobuwie.pl Logistics Sp. z o.o. on 15.10.2018. including, among others, in the scope of minimum investment expenditure, Eobuwie.pl Logistics Sp. z o. o. as at 31.12.2019 recognized a deferred income tax asset in the scope of zone relief in the amount of PLN 37 million.

*Signatures:*

1/ *Marcin Czyczerski* - *President of the Management Board*

2/ *Mariusz Gnych* - *Vice-President of the Board*