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Commencement of negotiations regarding investment in eobuwie.pl S.A.

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Legal basis:

Art. 17 paragraph 1 of the MAR – confidential information

The Management Board of CCC S.A. with its registered office in Polkowice (the “CCC”) hereby announces that after conducting analyses and preliminary discussions with certain entities interested in a potential minority investment in eobuwie.pl S.A. (the “eobuwie”), in which CCC indirectly holds 74.99% of the total number of shares, the Management Board of CCC today decided to entered into exclusive negotiations with two selected investors Cyfrowy Polsat S.A. and A&R Investments Limited, a shareholder of i.e. InPost S.A. (the “Investors”) of conditions of the sale of two minority stakes in eobuwie, each comprising of 10% of the share capital of eobuwie (the “Stake”). Each of Investors is interested in acquiring the Stake in a pre-IPO type investment for PLN 500 million for each Stake (the “Transaction”), i.e. for a total valuation of eobuwie at PLN 5.0 billion. The exclusivity period was granted until March 31, 2021 and it is expected that the full Transaction documentation will be signed by this date, subject to obtaining the relevant corporate approvals.

In the event of closing of the Transaction on the terms set out above, the proceeds of CCC from the sale of both Stakes, i.e. shares constituting in total 20% of the share capital of eobuwie in the amount of PLN 1 billion are to be allocated for a) its general corporate purposes, incl. partial repayment in the amount of approx. PLN 0.4 billion and refinancing of the existing indebtedness CCC capital group, and b) a cash buffer to offset effects of any further lockdowns in relation to Covid-19 pandemic, as well as c) cash reserve needed to prepare for and partially finance CCC’s acquisition of the remaining 25.01% of shares in eobuwie currently owned by MKK3, current minority shareholder of eobuwie, based on the terms of the existing call option.

The initial public offering (IPO) of eobuwie is currently planned in 2022 or 2023, subject to market conditions and other relevant factors. Considering very good results and strong balance sheet of eobuwie, the Management Board of CCC believes that eobuwie will be able to fully finance the current business plan, without raising additional equity capital. As a result, the Management Board concluded that the above decisions and the transaction structure are adequate for CCC’s and eobuwie’s long term interests and CCC’s shareholders value.

The Management Board further announces that it has not made any binding decisions as to the completion of the proposed transaction. The discussions of the transaction’s terms are ongoing on an exclusive basis and the outcome of the negotiations are uncertain. If discussions with the Investors have not led to the signing of binding legal documentation by the end of the exclusivity period, CCC will explore other available transaction options in relation to eobuwie.

Signatures:

1/ *Karol Półtorak* - *Vice-President of the Management Board*

2/ *Hanna Kamińska* - *Proxy*