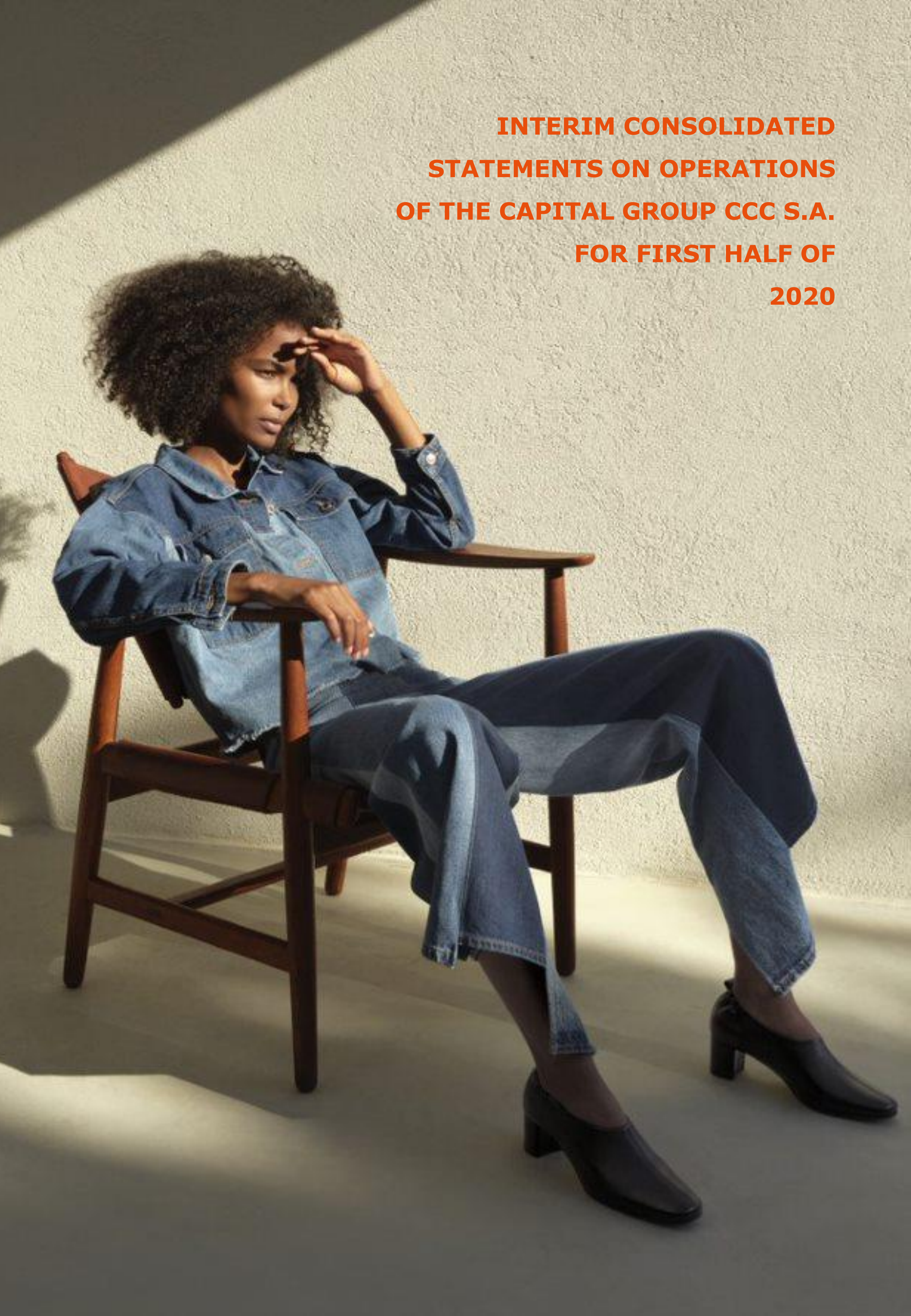
INTERIM CONSOLIDATED STATEMENTS ON OPERATIONS OF THE CAPITAL GROUP CCC S.A. FOR FIRST HALF OF 2020



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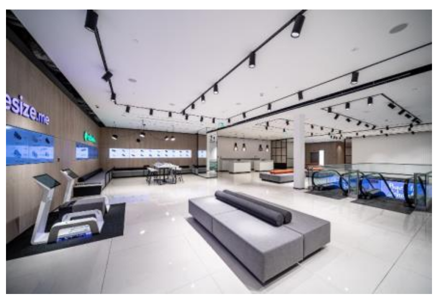


ABOUT THE REPORT ON THE OPERATIONS OF THE CCC CAPITAL GROUP

The Interim Consolidated Report on operations of the CCC Capital Group for first half of 2019 contains financial and non-financial data, presenting the results and the market position of the Group in Poland and Europe. The report is published in PDF format, available in Polish and English. The report includes the logo and photos of the registered private label products available in CCC stores. The report covers first half of the financial year, from 1 January 2020 to 30 June 2020. In order to keep the information as accurate as possible, the report includes events after the balance sheet date up to the date of publication of the report.

SELECTED INTERIM CONSOLIDATED FINANCIAL DATA

FINANCIAL ACTIVITY CONTINUING OPERATIONS	IN MLN PLN		IN MLN EUR	
Selected data from the consolidated statement of comprehensive income	01.2020-06.2020 UNAUDITED	01.2019-06.2019 UNAUDITED/ TRANSFORMED	01.2020-06.2020 UNAUDITED	01.2019-06.2019 UNAUDITED/ TRANSFORMED
Sales revenue	2 186,1	2 457,8	492,2	573,2
Poland	662,0	1 065,5	149,1	248,5
CEE	307,7	515,6	69,3	120,2
Western Europe	41,8	60,9	9,4	14,2
Other countries	41,2	64,0	9,3	14,9
Retail activity	1 052,7	1 706,0	237,0	397,9
E-commerce	1 041,8	628,4	234,6	146,5
Wholesale/ service	30,0	94,5	6,7	22,0
Sales revenues not allocated to segments	61,6	28,7	13,9	6,7
Gross profit (loss) on sales	950,5	1 200,9	214,0	280,2
Gross profit margin on sales	43,5%	48,9%	43,5%	48,9%
Results on segments				-
Poland	(109,9)	130,1	(24,7)	30,4
CEE	(123,4)	17,1	(27,8)	4,0
Western Europe	(33,9)	(28,5)	(7,6)	(6,7)
Other countries	(22,9)	(7,3)	(5,2)	(1,7)
Retail activity	(290,1)	111,4	(65,3)	26,1
E-commerce	100,0	39,1	22,5	9,1
Wholesale	(1,7)	6,5	(0,4)	1,5
Manufacturing	-	(0,4)	-	(0,1)
Profit (loss) on operating activity	(496,4)	46,9	(111,8)	10,9
Profit (loss) before tax	(699,1)	(14,9)	(157,4)	(3,5)
NET PROFIT (LOSS) ON CONTINUING OPERATIONS	(665,8)	(12,9)	(149,9)	(3,0)
NET PROFIT (LOSS) ON DISCONTINUED OPERATION	(275,4)	(107,6)	(62,0)	(25,1)
NET PROFIT (LOSS)	(941,2)	(120,5)	(211,9)	(28,1)
ADJUSTED NET PROFIT (LOSS)	(659,6)	(1,3)	(148,5)	(0,6)
Selected data from the consolidated statement of financial position	30.06.2020 NIEBADANE	31.12.2020	30.06.2020 NIEBADANE	31.12.2020
Non-current assets	3 568,0	4 210,5	798,9	988,7
Current assets, including:	2 886,6	2 933,2	646,4	688,8
Inventories	1 994,6	1 942,3	446,6	456,1
Cash and cash equivalents	505,6	542,6	113,2	127,4
Assets of the group held for sale	288,1	-	64,5	-
TOTAL ASSETS	6 742,7	7 143,7	1 509,8	1 677,5
Non-current liabilities including:	2 609,5	3 095,8	584,3	727,0
Debt liabilities	310,5	683,0	69,5	160,4
Current liabilities including:	3 178,3	2 958,3	711,7	694,7
Debt liabilities	1 277,9	830,4	286,1	195,0
Liabilities directly related to assets classified as held for sale	300,3	-	67,2	-
TOTAL LIABILITIES	6 088,1	6 054,1	1 363,2	1 421,7
EQUITY	654,6	1 089,6	146,6	255,9

FINANCIAL ACTIVITY	IN MLN PLN		IN MLN EUR	
Selected data from the consolidated statement of cash flows	01.2020-06.2020	01.2019-06.2019 UNAUDITED/ TRANSFORMED	01.2020-06.2020	01.2019-06.2019 UNAUDITED/ TRANSFORMED
Net cash flows from operating activities	(328,8)	457,4	(74,0)	106,7
Net cash flows from investing activities	(70,5)	(454,7)	(15,9)	(106,0)
Net cash flows from financing activities	361,6	135,8	81,4	31,7
TOTAL CASH FLOWS	(37,7)	138,5	(8,5)	32,3

OPERATIONAL DATA	30.06.2020	31.12.2020
Number of stores CCC	1 207	1 242
including discontinued operations	162	179
Floor space of stores (thousand m2)	760,5	760,0
including discontinued operations	75,6	81,3
Number of markets with online sales	15	15

	IN MLN PLN		IN MLN EUR	
	01.2020-06.2020 UNAUDITED	01.2019-06.2019 UNAUDITED/ TRANSFORMED	01.2020-06.2020 UNAUDITED	01.2019-06.2019 UNAUDITED/ TRANSFORMED
Capital expenditures (in mln)	(32,4)	(264,1)	(7,3)	(61,6)

Selected data from the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the consolidated statement of cash flows were calculated into euro in accordance with
the prevailing conversion method:

- individual items of assets and liabilities in the consolidated statement of financial position were calculated at the exchange rate effective on the last day of the reporting period:
  - exchange rate on 30.06.2020 amounted to 1 EUR – 4,4660 PLN;
  - exchange rate on 31.12.2019 amounted to 1 EUR – 4,2585 PLN;
  - exchange rate on 30.06.2019 amounted to 1 EUR – 4,2520 PLN.

individual items of the consolidated statement of profit and loss and other comprehensive income and consolidated statement of cash flows were calculated at exchange rates representing the arithmetic average of exchange rates announced by the Polish National Bank for EUR prevailing on the last day of each month during the reporting period:

- the average exchange rate in the period 01.01.2020 – 30.06.2020 amounted to 1 EUR – 4,4413 PLN;
- the average exchange rate in the period 01.01.2019 – 30.06.2019 amounted to 1 EUR – 4,2880 PLN.

The conversion was made in accordance with the previously indicated exchange rates by dividing the values expressed in millions of zlotys by the exchange rate.

[in PLN million unless otherwise stated]

FUNCTIONAL CURRENCY AND CURRENCY OF FINANCIAL STATEMENTS

Items included in the interim condensed financial statements of the Group's individual entities are measured in the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in the Polish zloty (PLN), which is the functional currency of the parent company and the presentation currency of the Group.

ACCOUNTING PRINCIPLES APPLIED

The accounting principles applied by the Companies of the CCC S.A. Capital Group have not changed in relation to those applied in the financial statements for the financial year from 1 January to 31 December 2019, except for the application of new or amended standards and interpretations applicable to annual periods beginning on 1 January 2020 or later.
For more information see the Consolidated Financial Statements page 14.

INFORMATION ON THE APPLIED AVERAGE EXCHANGE RATES OF THE ZLOTY IN THE PERIOD COVERED BY THE FINANCIAL STATEMENTS AND COMPARABLE FINANCIAL DATA IN RELATION TO THE EURO AND THE DOLLAR, DETERMINED BY NBP

PERIOD (USD/PLN)	HIGHEST	LOWEST	END OF THE PERIOD	AVERAGE
01.2020-06.2020	4,2654	3,7861	3,9806	4,0085
01.2019-06.2019	3,8696	3,7243	3,7336	3,8002
01.2019-12.2019	4,0154	3,7243	3,7977	3,7618

PERIOD (EUR/PLN)	HIGHEST	LOWEST	END OF THE PERIOD	AVERAGE
01.2020-06.2020	4,6044	4,2279	4,4660	4,4413
01.2019-06.2019	4,3402	4,2520	4,2520	4,2880
01.2019-12.2019	4,3891	4,2406	4,2585	4,2999

MOST IMPORTANT EVENTS OF THE FIRST HALF OF 2020

JANUARY

Adoption of the Group's **development strategy** for 2020-2022 **GO.22.**

FEBRUARY

Robotization of business processes - a robot prepared in UiPath technology started working in the company's headquarters.

1st anniversary of CCC application - over 1.4 million downloads.

Launch of the advertising campaign under the slogan "Size is uneven" promoting the innovative service esize.me available in CCC stores and eobuwie.pl.

Launch of the spring advertising campaign under the slogan "CCC Fashion Trends".

MARCH

Start of another advertising campaign under the slogan "My Discovery", promoting the Lasocki own brand. The brand's ambassador is the style icon Małgorzata Kożuchowska.

Launch of the Gino Rossi advertising campaign under the slogan "Beautiful Moments. Beautiful life", presenting the beauty of interpersonal relations.

Launch of an e-commerce channel in Romania via CCC.eu platform.

Administrative restriction on sales in the offline channel in response to the coronavirus epidemic. For over 3 months, the CCC Group's chain of stores in 23 countries did not operate full-scale.

Preparation of a plan to stabilize the functioning of the Group in response to the closure of stores. Beginning the discussion with banks, financing institutions and bondholders, preparing a plan to carry out a share issue and making efforts to benefit from the anti-crisis shield 1.0 and subsequent assistance programs in Poland and on foreign markets.

APRIL

Launch of the service of a virtual CCC advisor supporting the Customer Service Department (on the Google Assistant platform and Facebook Messenger).

Launch of the Home Development Academy - a series of online trainings for sales department employees conducted during the freezing of economy.

Implementation of a technologically advanced financial and accounting system SAP S4/HANA delivered by SAP - as the first company in Poland.

Launch of the Shared Services Center in Polkowice - standardization, simplification of processes and increase of reporting efficiency.

Launch of the ccc.eu e-commerce channel in Hungary and Austria - accelerated in response to the coronavirus and lockdown pandemic**.**

The Extraordinary General Meeting of Shareholders of 17 April 2020 decides to issue up to 13,700,000 shares, from which the Company intends to raise approx. 400-500 million PLN for the next season and current operations. Start of the review of strategic options for the subsidiary Karl Voegele AG.

Securing the Group's financing sources as a result of discussions with banks, financing institutions and bondholders. The company receives government funding for employee costs in the total amount of PLN 25.3 million, reduces operating costs and negotiates lease agreements for premises. It also applies for financing from the BGK Liquidity Guarantee Fund.

Gradual return of sales in the offline channel since April 20 in connection with the start of the economy loosening.

MAY

The issue of 13.7 million shares at a price of PLN 37, as a result the Company raises PLN 506.9 million.

Launch of the CCC mobile application in the Czech Republic and Slovakia.

Marketing campaign "We've missed you" - a campaign related to the return of customers to offline stores.

Opening of DeeZee online stores in four new markets: Hungary, Czech Republic, Slovakia and Romania.

Expansion of the offer with additional foreign brands (Bugatti, Tom Tailor, Mustang, Igor, Reli) and extended offer of accessories.

JUNE

CCC is the winner of the 13th edition of the Issuer's Golden Website Competition organized by the Association of Stock Exchange Issuers.

Launch of the CCC mobile application in Hungary.

Eobuwie.pl launches an online store in Croatia - 15th foreign market where the company operates.

The number of esize.me scans has exceeded 1 million - the CCC Group has the largest database of this type in the world.

Publication of the sustainable development strategy which is one of the pillars of the Group's business strategy for 2020-2022 "GO.22".

1st anniversary of the CCC online store - has completed over 1.5 million orders, records 13.5 million customer visits per month and is available in five foreign markets.

Appointment of a new member of the Supervisory Board, Mr. Henry McGovern.

More information about important events in the CCC Capital Group is available on the website:

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

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

GENERAL INFORMATION ABOUT THE GROUP

BUSINESS PROFILE

The largest footwear retailer in Central and Eastern Europe with over 20 years of experience

Geographical diversification enhanced by diversified sales channels in 29 countries

Loyal customer base supported by strong brand awareness and continuous product portfolio development

Traditional stores strengthened by e-commerce channels (online and mobile), accounting for about 50% of the CCC Group's revenues

Breakthrough 3D footprint scanner technology and revolutionary omnichannel stores developed and Implemented

Acting responsibly, meeting the needs of stakeholders and supporting relevant local and global initiatives aimed at focusing the Group on the ESG

TOP FIVE COUNTRIES BY SALES REVENUE

POLAND

CZECH REPUBLIC

HUNGARY

ROMANIA

AUSTRIA

CAPITAL GROUP CCC S.A.

The CCC Capital Group S.A. („CG CCC", „CCC Capital Group", „Group") is a Polish footwear retail market leader, one of the largest shoe manufacturers in Europe, and through its subsidiary eobuwie.pl SA, is also a leader in e-commerce in Central and Eastern Europe.

The CCC Group consists of a total of 1,045 stores and 64 online sales platforms in Poland and 28 countries in Europe and the Middle East, located in modern shopping centers and malls. The offline and online CCC stores offer products of brands: Lasocki, Gino Rossi, Jenny Fairy, DeeZee and numerous licensed brands of sports and children's footwear. The CCC Group has a wide range of products, which is constantly being expanded in response to the needs of various consumer groups.

For the spring-summer season, the Group currently offers nearly 4,000 shoe models, for the autumn-winter season it is about 3,000 models, which gives a total of 7,000 shoe models over a 12-month period. The Group has a total of 517 registered trademarks (including 153 in KVAG) – the most popular brand soldby CCC is Lasocki available in both CCC's stores and the e-commerce channel.

The Group employs nearly 15 thousand employees and has its own leather shoe factory in Polkowice and Slupsk. In the first half of 2020, more than 19 million pairs of shoes were sold, including nearly 700 thousand from its own production line and about 235 thousand produced by Gino Rossi.

CCC S.A. is the parent company in the Group. The structure of the CCC S.A. Capital Group is presented on page 10.

The activity of the Capital Group is currently organized in two segments:

- Distribution activity
    - Retail
        - Poland
        - Central and Eastern Europe
        - Western Europe
        - Other countries
    - E-commerce
    - Wholesale/service
- Manufacturing activity

COMPOSITION OF THE CCC S.A. CAPITAL GROUP

DESCRIPTION/ORGANIZATIONAL SCHEME OF CCC GROUP WITH CORPORATE AFFILIATION

The company CCC S.A. is the parent company in the CCC Capital Group. As at the balance sheet date, CCC S.A. held, directly and indirectly, 100% shares in capital 16 out of 20 subsidiaries located in Poland, Central and Eastern Europe, Western Europe and in other countries. The companyholds 74.99% of shares in eobuwie.pl S.A., 75% in CCC Russia ooo and DeeZee Sp. z o.o. The results of the above companies are consolidated 100%. The diagram below presents the organizational structure of the CCC Group together with capital links.

1] CCC.eu sp. z o.o. is a subsidiary of CCC Shoes & Bags sp. z o.o. (99.75%) and a subsidiary of CCC S.A. (0,25%)

[2] According to the decision taken by the Management Board of CCC S.A. On 1 June 2020, the operations of Karl Voegele AG were reclassified to discontinued. The company remains a subsidiary of NG2 Suisse S.a.r.l. (70%). More information on page 11.

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

[4] Shoe Express S.A. is a subsidiary of CCC Shoes & Bags sp. z o.o. (95%) and a subsidiary of NG2 Suisse GmbH Switzerland (5%).

[5] C-AirOp Limited until 6.07.2020 was registered as CCC Isle of Man Ltd.

CAPITAL GROUP CCC S.A.

CCC S.A.

MANUFACURING

- **CCC Factory sp. z o.o.** – 100% Poland
- **Gino Rossi S.A.** – 100% Poland
  - **GARDA Sp. z o.o.** – 100% Poland
  - **Gino Rossi SRO** – 100% Czech Republic

DISTRIBUTION

- **CCC Czech SRO.** – 100% Czech Republic
- **CCC Austria Ges.m.b.H** – 100% Austria
- **CCC Shoes Bulgaria** – 100% Bulgaria
- **CCC Russia sp. z o.o.** – 75% Russia
- **CCC Shoes & Bags d.o.o. Beograd - Stari Grad** – 100% Serbia
- **CCC Obutev d.o.o.** – 100% Slovenia
- **Karl Voegele AG [2]** – 70% Switzerland
  - **Vögele Verwaltung G.m.b.H** – 70% Switzerland
- **CCC.eu sp. z o.o. [1]** – 100% Poland
- **CCC Slovakia s.r.o** – 100% Slovakia
- **CCC Hrvatska d.o.o** – 100% Croatia
- **CCC Shoes Ayakkabicilik Ticaret Limited Sirketi** – 100% Turkey
- **DeeZee sp. z o.o. [3]** – 75% Poland
- **Shoe Express S.A. [4]** – 100% Romania
- **CCC Hungary Shoes Kft.** – 100% Hungary
- **eobuwie.pl S.A.** – 74,99% Poland
  - **Eschuhe.ch GmbH** – 74,99% Switzerland
  - **Eschuhe.de UG** – 74,99% Germany
  - **eobuwie.pl Logistics Sp. z o.o.** – 74,99% Poland
  - **Branded Shoes&Bags Sp. z o.o.** – 74,99% Poland

OTHER

- **NG2 Suisse S.a.r.l.** – 100% Switzerland
- **CCC Shoes & Bags Sp. z o.o.** – 100% Poland
- **C-AirOp Limited [5]** – 50% Isle of man

ASSOCIATED COMAPNIES

- **HR Group Holding S.a.r.l.** – 30,55% Luxembourg
- **Pronos Sp. Z o.o.** – 10% Poland

CHANGES IN ORGANIZATION AND MANAGEMENT IN THE CAPITAL GROUP CCC

CHANGES IN ORGANIZATION OF THE CAPITAL GROUP CCC S.A. IN 2020.

According to the information from the current report no. 21/2020, on 21 April 2020. The Management Board of CCC S.A. adopted a resolution to take action to review the strategic options for the subsidiary company Karl Voegele AG based in Uznach, Switzerland (hereinafter "KVAG"). The subject of the planned review was, in particular, the analysis of the possibility of restructuring the activity of the subsidiary Karl Voegele AG in a business model based on a significantly reduced number of stores and/or the possibility of selling assets or acquiring a new investor for the subsidiary. As part of the option review, the decision was made to sell the shares in the subsidiary Karl Voegele AG based in Uznach, Switzerland and the process of actively finding a buyer was initiated. In view of the above, it was decided on June 1, 2020 to reclassify the assets associated with KVAG's business as "Assets of the group for sale" and similarly, the liabilities associated with KVAG's business are presented under "Liabilities associated with the group for sale".

KVAG's business assets are available for immediate sale in their current form. KVAG continues to operate as it did in 2019, including business process optimization. This activity, similarly to the CCC S.A. Capital Group, was influenced by the coronavirus pandemic. The Management Board of the Parent Company does not identify premises that could indicate the necessity of incurring or performing additional activities in order to adjust the asset to sales. The consent of banks financing the Capital Group and minority shareholders of KVAG is required for the disposal of KVAG.

Within the scope of activities related to the sales plan and the process of actively finding a buyer, the Management Board of the Parent Company received an initial response from potential buyers interested in the acquisition. It should be noted that the current environment related to the COVID-19 pandemic also affects the transactional environment, including the situation of potential strategic / industry investors.

The Management Board of the Parent Company is convinced that the sale will be recognized as completed within one year from the date of classification, and the actions needed to complete the plan indicate that it is unlikely that significant changes will be made to the plan or that the plan will be abandoned.

CHANGES IN THE ORGANIZATION OF THE CCC CAPITAL GROUP AFTER THE BALANCE SHEET DATE

Did not occur.

CHANGES IN MANAGEMENT PRINCIPLES OF THE CAPITAL GROUP CCC

On June 24, 2020, the Ordinary General Meeting of the Company increased the number of the Supervisory Board to six members, and appointed Mr. Henry McGovern to the Supervisory Board of the current term.

FACTORS AND EVENTS AFFECTING THE RESULTS OF CCC S.A. CAPITAL GROUP.

MACROECONOMIC DEVELOPMENTS IN CENTRAL AND EASTERN EUROPE

The CCC S.A. Group operates mainly on the markets of Central and Eastern Europe with a strong dominance of sales on the Polish market, which in 2019 recorded a 76.8% share in the aggregated profit of segments. The result of the location of the Group's stores in the above region is a significant impact of the condition of the economies of the Central and Eastern European countries on the sale of the Group's products. The main factors that influenced the financial results in the presented period were:

- effects of the global coronavirus pandemic.
- change of the footwear market value,
- change in consumer disposable income,
- change in the propensity to consume,
- changing customers' shopping preferences,
- change in GDP,
- non-commercial Sundays in Poland,

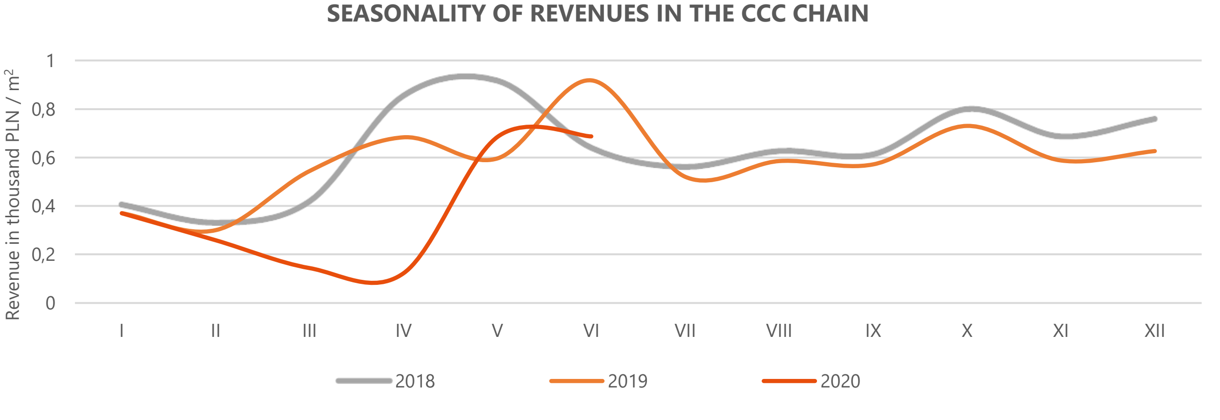
Poland's GDP has been growing steadily since 1992. However, the first half of 2020 showed a 9.3% drop in the value of the index (according to the preliminary estimation of the Central Statistical Office) due to the effects of the global coronavirus pandemic. For 2019 and 2018 respectively, the economic growth in Poland was 4.0% and 5.1%. The government's GDP forecast for 2020 is -4.6%, while the World Bank and the European Commission's forecasts for Poland's GDP in 2020 are -4.2% and -4.6% respectively. All the forecasts mentioned above take into account the impact of the coronavirus pandemic on the pace of economic development. In 2021 a return to economic growth is assumed, and its forecasts from the three institutions mentioned above are 4.0%, 4.6% and 4.3% respectively.

Important macroeconomic factors that influenced the Group's results due to the specific nature of its operations were consumer behaviour, in particular the change in the propensity to consumption. In the first half of 2020, the effects of the coronavirus pandemic, including their impact on the labour market, were an important factor determining consumer behaviour. The scale of the impact of the "Household Consumption" category on real GDP growth for 2016-2018 was 1.8%, 2.3%, 2.9% and 2.6% respectively. This indicator was supported by high real wage dynamics and low interest rates, which stimulated the development of lending, including retail loans. In 2020, the Monetary Policy Council reduced interest rates three times, implementing the monetary policy objectives of the central bank, including in particular supporting the country's economic policy in the face of the effects of the coronavirus pandemic and mitigating its negative impact on economic growth.

An important factor influencing the footwear market in Poland is the growing importance of the e-commerce channel. Between 2017-2019, the online share of the domestic footwear market increased from 18 to 24%. According to forecasts, in 2022 it may be at the level of 32%. Changes in preferences in the scope of the goods purchase channels also change the role of traditional shopping centers.

SEASONALITY AND WEATHER

The proportion of sales during the financial year was significantly influenced by weather conditions and seasonality (the peak demand is in spring and autumn). Disturbance of weather conditions may result in postponing purchase decisions by customers or shortening the season of highest sales. Seasonality in the first half of 2020 was disturbed by the effects of the global coronavirus pandemic, and in particular the administrative restriction of sales in the stationary channel for at least 5 weeks (depending on the market).



KEY TRENDS SHAPING THE FOOTWEAR MARKET

- development of new distribution channels and customer relations (including online platforms, mobile solutions),
- the changing function of offline stores, which in response to customers' expectations, cease to be the only distribution channel and become part of multi-channel distribution systems (the so-called omnichannel),
- building a direct and personalized relationship with the customer,
- development of new groups of competitors, especially online
- access and popularization of the so-called fashion offer, which is, among others, a result of the rapid spread of new fashion trends using social media,
- rapid development of the casual and sports shoe segment (so-called sneakerization),
- climate change, which results in, among others, flattening of seasonality,
- conscious responsibility to the environment.

STRATEGY ADAPTED TO MARKET CHANGES

In response to the changing market, the CCC Group has developed and implemented the GO.22 strategy. As part of the strategy, the Group aims to skilfully combine its distribution channels to deliver an attractive product offer, tailored to the diverse markets, channels and sales formats, while acting effectively, responsibly in managing the financial situation and caring for the environment. Within the strategy, the Issuer has identified five main strategic areas and defined strategic goals for them:

1) omnichannel with the customer in the center,
2) product,
3) efficiency and effectiveness,
4) financial stability,
5) sustainable development.

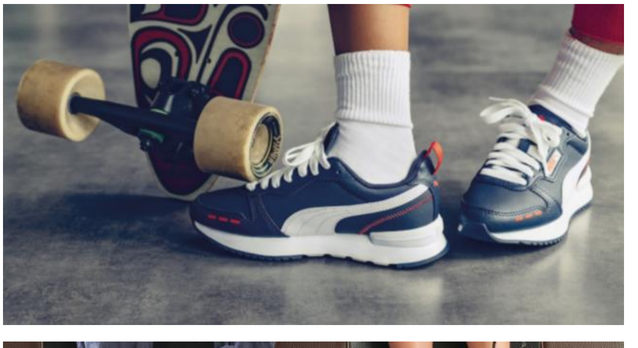
In accordance with the Strategy, activities in particular areas will be implemented using new technologies and data analysis.

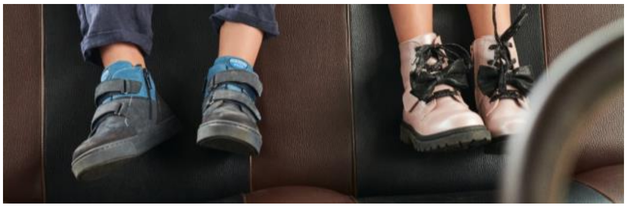
In recent months, the COVID-19 pandemic had a significant impact on the footwear trade market. In the Issuer's opinion, among the potential long-term effects of the pandemic on the footwear trade market, one can indicate, among others, the expected faster increase in online penetration or greater consumer interest in products from lower price ranges.

The Company believes that such change in consumer behavior towards ecommerce creates an unique opportunity to accelerate growth and further expand market shares for entities like eobuwie.pl. In that context, assuming providing adequate capital, short term goal for eobuwie.pl would be to generate PLN 230-250 million of EBITDA in 2021, while till 2023, eobuwie.pl' aim would be to triple its scale of operations (by revenues, comparing to 2019) and at the same time exceed sales and profitability targets included in the GO.22 strategy[1].

In that context, CCC continues works and analysis aimed to ensure at eobuwie.pl level, adequate operational and financial readiness that will allow for accelerating long-term growth of the company. One of the contemplated solution is to raise by eobuwie.pl new equity (ca. 0.4-0.5bn PLN) from minority equity investor – who will additionally support eobuwie.pl in taking full advantage of that market opportunity, however at this stage, no biding decision on the structure or the amount has been made.

In the Issuer's opinion, the indicated structural changes are well addressed by the main assumptions of the GO.22 Strategy and despite the expected significant deviation of the 2020 results from the planned ones, to the best knowledge as of the date of the Report, the Issuer maintains its strategic assumptions and objectives within a three-year perspective (until 2022).





1. The statement regarding financial goals of eobuwie.pl does not constitute aby financial forecast and may differ from actual financial results as were based on number of assumptions

OPERATIONAL DATA ON THE DEVELOPMENT OF EOBUWIE SALES

	Q2/19	Q2/20	YoY
Site visits (mln), IV-VI	124	162	31%
Share of mobile visits (% visits)	70,0%	76,5%	+6,5 p.p.
Active customers LTM (mln)	3,3	4,8	45%
Number of orders LTM (mln)	6,5	9,0	38%

Definitions of indicators:

Site Visits - Number of series of 'page' request from the same uniquely identified visitor at eobuwie.pl, including website, mobile site and application during the relevant period. The series is considered ended when a request is not recorded for longer than 30 minutes. Ratio includes visits on eobuwie.pl and Modivo sites.

Share of Mobile Visits - Mobile visits - number of website visits on mobile devices as reported by Google Analytics and numer of visits on mobile app reported by Firebase. Mobile visits defined as site visits.

Active Customers - Number of unique email addresses placing orders (inc. R&C orders) at eobuwie and/or Modivo websites over LTM of the relevant period.

Number of Orders - Number of orders (excl. R&C orders) placed at eobuwie and/or Modivo websites over LTM of the relevant period.

PRODUCTS AND BRANDS

CCC GROUP OFFER

The CCC Group offers its customers a range of products aimed at a wide range of consumers. Apart from women's, men's and children's footwear, there are also handbags, shoe care products and products classified in the assortment structure as other, where we can distinguish jewelry, accessories, cycling accessories.

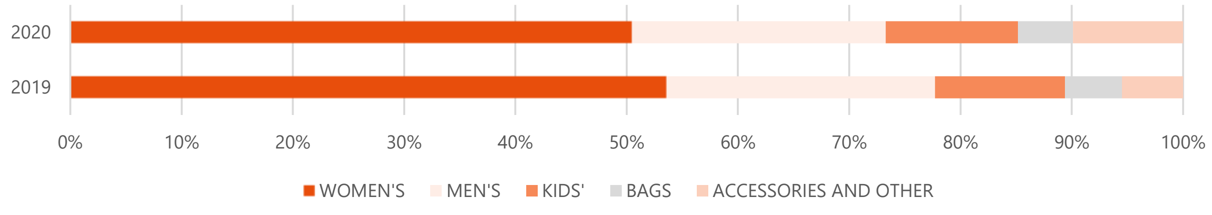
Footwear is the basic product and commodity of the CCC Group. Customers visiting offline and online stores have a choice of shoes for every occasion - including everyday, sports and occasional shoes. The assortment offered to customers is sold by the Group under many private and licensed brands, including premium ones, thanks to which it offers its customers footwear not only for every occasion, but also for every budget - a detailed description of the brands offered is presented later in this section.

ASSORTMENT STRUCTURE

The assortment structure of sales remains in similar proportions over the years - in 2020 footwear accounted for 85% of sales, including: women's footwear - 51%, men's footwear - 23%, children's footwear - 11%. Apart from footwear, which is the main product, handbags account for 5% of sales annually, while cosmetics and other products account for 10%.

The CCC Group is consistently working to develop the portfolio of products offered to customers.

The traditional offer of CCC's own brands, such as Lasocki, Jenny Fairy or Sprandi, has been joined in recent years by branded sports shoes, fashionable DeeZee shoes or premium leather shoes - Gino Rossi. The CCC Group has made efforts to ensure that every customer will find in its offer products meeting their expectations. The chart below presents a detailed structure of retail sales in particular assortment groups in 2020 and 2019:



WOMEN'S SHOES

As part of the "Women's shoes" range the Group offers its customers:

- ballerinas,
- boots,
- flip-flops,
- sports shoes,
- formal shoes,
- sandals,
- heels,
- sneakers.

MEN'S SHOES

Within the range of men's shoes the Group offers its customers:

- boots,
- sports shoes,
- formal shoes
- sandals,
- sneakers.

KIDS' SHOES

As part of the range of kids' shoes, the Group offers its customers shoes for boys and girls for all seasons. In addition to the classic brands of footwear with a separate children's section, exclusively children's product lines are also available.

BAGS

Within this assortment group the Group offers its customers bags made of synthetic materials and natural leather.

OTHER AND ACCESSORIES

Within the assortment of "Other" the Group sells among others:

- cosmetics,
- jewelry,
- fancy goods.

KEY BRANDS

LASOCKI

WOMEN

- age approx. 20-55 years
- medium and high income
- open, active, healthy lifestyle
- looking for classics
- value quality, style, comfort
- price is of secondary importance

PORTFOLIO OF CCC BRANDS

CLASSICS

UNIVERSAL DESIGN

MEN

- age approx. 25-75 years
- average and higher income
- self-confident, care about their appearance and „contents of the wardrobe", escape from the „poor quality", value high quality, style and comfort
- make rational choices – weighing the quality/price ratio

gino rossi

- age approx. 20-55 years
- medium and high income
- open, active, healthy lifestyle
- looking for exceptionality, originality
- value style and comfort
- quality is of prime importance

PREMIUM PRODUCT

TOP QUALITY

STYLE AND ELEGANCE

- age about 25-75 years
- average and higher income
- confident, looking for classic fashion
- quality and brand oriented

DeeZee

GIRLS DO IT BETTER

- age under 30 years
- lower and average income
- following trends
- looking for exceptionality, originality and unusual solutions
- value and emphasize individuality
- price is important

LATEST TRENDS

FASHION AND TASTE

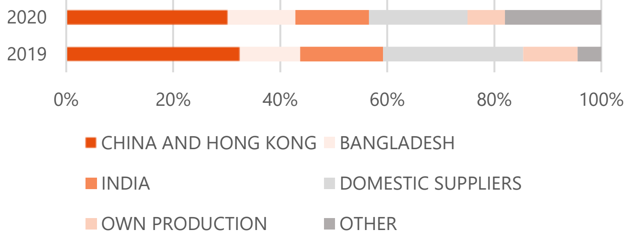
UNIQUE COLOUR AND DESIGN

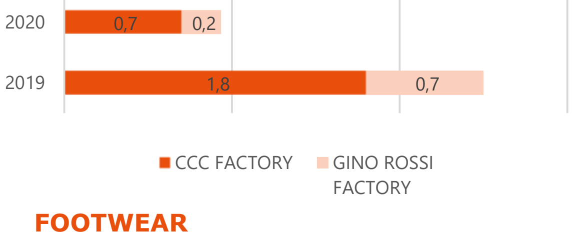
BUSINESS MODEL

MANUFACTURING AND SUPPLIERS

The main supplier of goods in the CCC Group is CCC.eu Sp. z o.o. This company obtains goods from domestic and foreign suppliers and from its own factories.

The territorial structure of shoe purchases in 2020 and 2019 is presented below:





FOOTWEAR

Footwear, the main commodity of the CCC Group, accounts for 90.3% of all purchases and is imported from Asia (55.6%), produced in its own factory (7.7%), purchased from domestic suppliers (17.8%) and from other countries (18.9%), including Germany (10.7%). The main direction of footwear imports from Asia is China (26.6% of the value of total footwear imports and nearly 50% of the value of footwear imports from Asia), where supplies come from several dozen manufacturers.

BAGS, SHOE CARE AND OTHER PRODUCTS

Products sold by the CCC Group also include bags, cosmetics, jewelry and accessories. All of the above goods are purchased from external suppliers. The bags in particular are imported from Asia, while other goods are sourced on European markets.

LOGISTICS

Development of the company, the increase in demand for its products and increasing performance requirements of distribution contributed to the realization of the largest in the history of the Group's investment – the building of the Logistics Centre, located in the Legnica Special Economic Zone (SEZ) in Polkowice. Logistic Centre is a modern complex of large-format objects.

The most important object of the Logistics Center is a fully automated high-storage warehouse, type mini-load, with a total area of 23.1 thousand m^2, which is able to accommodate a minimum of 5 million pairs of shoes, or over 500,000 cardboard boxes of various dimensions. It is the largest object of this type in Central Europe. The investment in 40% was financed from EU funds through the Innovative Economy program.

The new Distribution Center, in conjunction with the existing sorting facility, is able to service over 100,000 cartons (approx. 1.1 million pairs of footwear) during two working shifts. The mechanization process provides support for future development and provides a basis for further development of logistics processes. In addition, it allows optimizing the storage space, which currently amounts to 110.0 thousand m^2.

The CCC S.A. Group also invests in logistics in the e-commerce segment, which is reflected in the new logistics center eobuwie.pl, currently under construction in Zielona Góra. This facility will allow to multiply the capacity of the existing logistics center, responding to the growing importance of e-commerce in the CCC Group and the constantly growing popularity of online shopping. The investment consists of 4 elements and its realization is planned in stages. Phase I of the project started in September 2018.

In January 2019, the expansion of one of the warehouses was completed, which involved the installation of rack storage on additional space. Thus, the number of racks increased by over 60 thousand. The additional storage area allows to store about 10 million pairs of shoes (50% capacity increase). The effect of the organizational restructuring of CCC S.A. and the CCC Group is to leave the logistic service in the parent company and provide logistic services to the affiliated entity.

EOBUWIE WAREHOUSES

Eobuwie.pl started the process of building a new logistics center in Lubuskie Industrial Park in Zielona Góra. The investment will strengthen the development on European markets where the company is present. The new center will also improve the logistic service of CCC Group entities, including online sales of the CCC offer and other companies belonging to the Group.

In December 2019, the construction of a new Logistics Center with a space of about 30 thousand m2 was completed. In the fourth quarter of 2019 the storage of goods and automation was started, and in the first quarter of 2020 the shipment processing was started.

In the first half of 2020, the extension of the Logistics Centre with an area of about 15 thousand m2 was started. The investment is planned to be completed in December 2020.

[in PLN million unless otherwise stated]

DISTRIBUTION

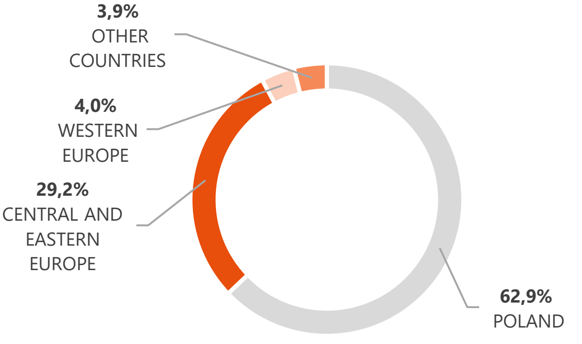
MARKET ENVIRONMENT

Main business segment of the CCC S.A. Capital Group is retail sales, which in 2019 generated 69.3% of all revenues. In this segment, the Group operates in four regions:

- Poland
- Central and Eastern Europe,
- Western Europe,
- Other countries.

In these regions, the Group also operates online, which accounted for 27% of all revenues in 2019 and 49.0% in the first half of 2020, due to the effects of the global coronavirus pandemic, and in particular the administrative restriction of sales in the offline channel for at least 5 weeks (depending on the market).

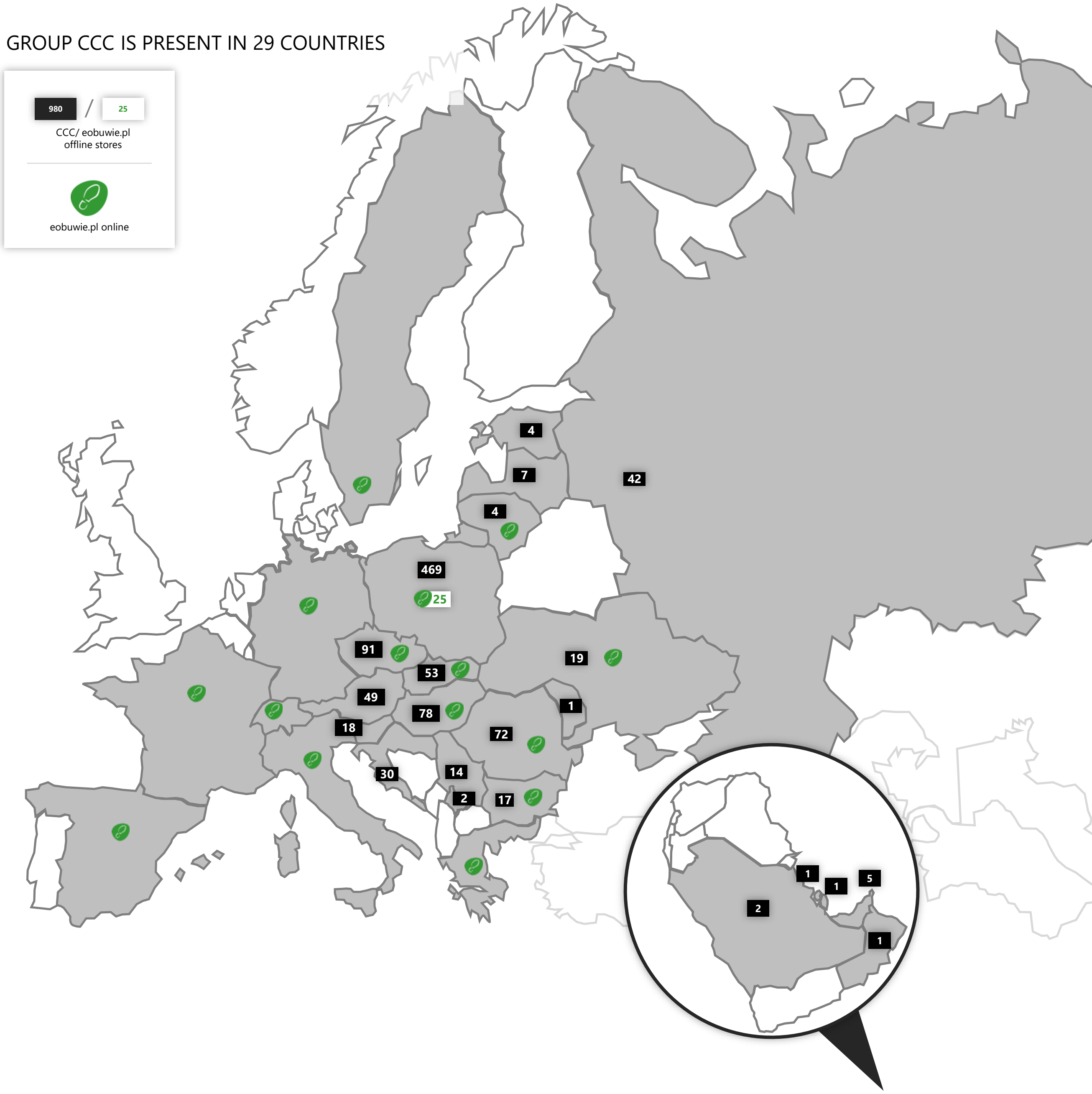
RETAIL SALES STRUCTURE BY GEOGRAPHICAL SEGMENTS IN THE FIRST HALF OF 2020



The development of the sales network is directly related to the economic development of individual countries. Below is a description of the market environment and competition in the most important regions.

REGION	MARKET CONDITION
Poland	The economic situation in Poland is stable, with medium growth prospects. In 2020 it was influenced by the effects of the global coronavirus pandemic, which resulted in negative GDP dynamics in the first half of 2020. According to forecasts, a return to economic growth is expected in 2021. In 2019, Poland's GDP growth was 4.0%. For 2018 and 2017 respectively, the economic growth in Poland was 5.1% and 4.8%. The unemployment rate in 2019 was the lowest since 1991 and amounted to 5.1%. One of the effects of the coronavirus pandemic is its impact on the labor market, including the level of employment. In the presented period there were no changes in the tax rates on the Group's products. In connection with the above macroeconomic data and the government's social policy (numerous social programs, including the 500+ program), an increase in consumer disposable income is expected. In Poland, Deichmann is the Group's key competitor in the offline channel and Zalando in the Internet channel.
Central and Eastern Europe	The economic situation in the CEE region is stable, with medium growth prospects. Until 2019, the level of GDP per capita grew at a stable pace and the unemployment rate in the most important countries of the region had a downward trend. In 2020, it was influenced by the effects of the global coronavirus pandemic, which resulted in negative GDP dynamics in the first half of 2020. According to forecasts, a return to economic growth is expected in 2021. One of the effects of the coronavirus pandemic is its impact on the labor market, including the employment level. In the presented period there were no changes in the tax rates on the Group's products. In the CEE region, Deichmann is the Group's key competitor in the fixed-line channel and Zalando in the Internet channel.
Western Europe,	The economic situation in the Western European region is stable, with medium growth prospects. Until 2019, the level of GDP per capita grew at a stable pace and the unemployment rate remained stable. In 2020, it was influenced by the effects of the global coronavirus pandemic, which resulted in negative GDP dynamics in the first half of 2020. According to forecasts, a return to economic growth is expected in 2021. One of the effects of the coronavirus pandemic is its impact on the labor market, including the employment level. In the presented period there were no changes in the tax rates on the Group's products. In Western Europe, Deichmann is the Group's key competitor.

GROUP CCC IS PRESENT IN 29 COUNTRIES



FLOOR SPACE	30.06.2020	YoY (thous. m^2)	YoY (%)
Own, including:	648,7	48,9	8%
-eobuwie.pl	17,1	9,4	120%
-Gino Rossi	4,6	-2,1	-42%
Franchise	36,2	-3,3	64%
Total [thous. m^2]	**684,9**	**63,1**	***10%***

Data concerning Gino Rossi - 0.3 thousand m2 (3 stores) is the area of franchise stores.

NUMBER OF STORES	30.06.2020	YoY
Own, including:	998	+4
-eobuwie.pl	25	+13
-Gino Rossi	40	-32
Franchise	47	+16
Total [units]	**1 045**	**+20**

INTERIM CONSOLIDATED STATEMENTS ON OPERATIONS OF THE CAPITAL GROUP CCC S.A.

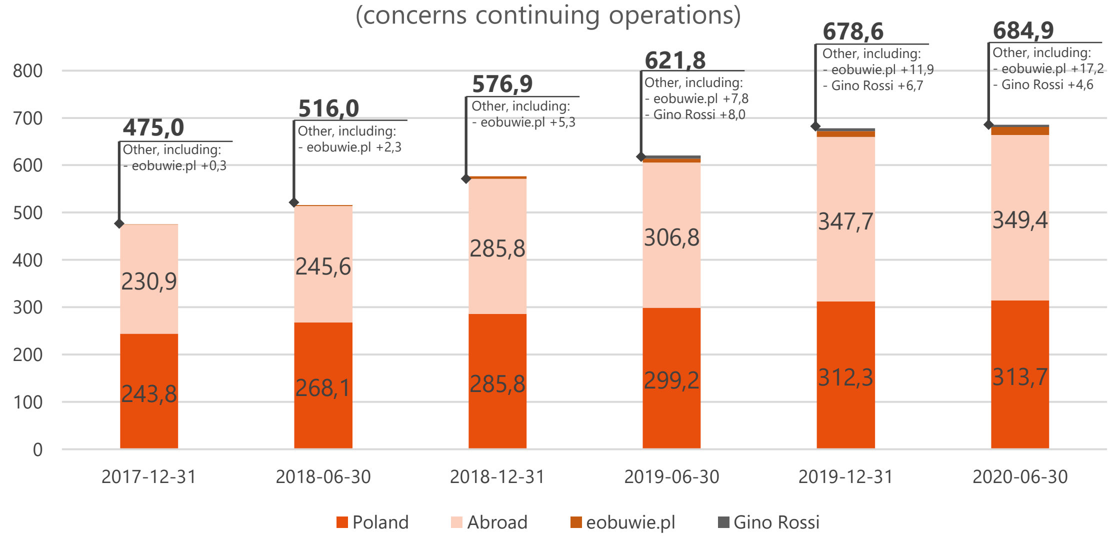
FOR FIRST HALF OF 2020

[in PLN million unless otherwise stated]

CHAIN	TYPE	2017-12-31		2018-06-30		2018-12-31		2019-06-30		2019-12-31		2020-06-30	
		m2	OF STORES	m2	OF STORES	m2	OF STORES	m2	OF STORES	m2	OF STORES	m2	OF STORES
CCC	Austria	27 431	45	28 351	46	30 378	49	30 368	48	32 410	50	32 014	49
	Bulgaria	6 562	10	6 562	10	7 430	11	9 210	14	11 651	17	11 651	17
	Croatia	13 561	23	14 018	24	16 061	25	17 884	27	19 811	29	20 602	30
	Czech Repul	44 701	88	44 989	87	51 497	93	53 215	93	56 721	96	54 665	91
	Poland	243 839	448	268 063	462	285 782	466	299 184	471	312 275	473	313 748	469
	Russia	13 923	19	18 168	24	28 041	35	31 683	38	34 212	41	34 372	42
	Romania	-	-	28 005	55	34 762	62	36 160	64	42 921	71	43 668	72
	Serbia	4 078	6	6 061	9	8 237	11	9 582	12	11 031	14	11 031	14
	Slovakia	28 198	50	29 581	50	31 500	51	33 702	53	33 702	53	34 148	53
	Slovenia	7 687	13	7 687	13	8 528	14	10 900	15	14 508	18	14 508	18
	Hungary	45 247	73	47 620	74	51 843	76	52 080	75	57 198	80	56 473	78
TOTAL		435 227	775	499 105	854	554 059	893	583 968	910	626 440	942	626 880	933
OTHER	eobuw ie.pl	348	1	2 298	2	5 256	9	7 777	12	11 945	19	17 146	25
	Gino Rossi	-	-	-	-	-	-	6 911	59	5 912	50	4 376	37
TOTAL OWN		435 575	776	501 403	856	559 315	902	598 656	981	644 297	1 011	648 402	995
DISCONTINUED OPERATION													
	KVAG	-	-	86 774	208	83 299	197	80 071	187	81 315	179	75 630	162

CHAIN	TYPE	2017-12-31		2018-06-30		2018-12-31		2019-06-30		2019-12-31		2020-06-30	
		m2	BER OF STO	m2	BER OF STO	m2	BER OF STO	m2	BER OF STO	m2	BER OF STO	m2	BER OF STO
CCC FRANCHISE	Saudi Arabia	-	-	-	-	-	-	-	-	1 050	1	1 876	2
	Bahrain	-	-	-	-	-	-	-	-	929	1	929	1
	Estonia	724	1	1 774	2	2 629	3	2 629	3	3 734	4	3 734	4
	Gino Rossi	-	-	-	-	-	-	1 061	13	801	9	256	3
	Qatar	-	-	-	-	-	-	1 002	1	1 002	1	1 002	1
	Kosovo	-	-	-	-	-	-	1 048	1	1 958	2	1 958	2
	Lithuania	2 657	4	2 657	4	2 657	4	2 657	4	2 657	4	2 657	4
	Latvia	4 409	7	4 409	7	4 409	7	4 409	7	4 409	7	4 409	7
	Moldova	740	1	740	1	740	1	740	1	740	1	740	1
	Oman	-	-	-	-	-	-	-	-	1 223	1	1 223	1
	Romania	27 148	54	-	-	-	-	-	-	-	-	-	-
	Ukraine	3 827	6	5 027	7	7 147	11	8 088	12	11 753	17	12 848	19
	UAE	-	-	-	-	-	-	1 521	2	4 082	4	4 853	5
TOTAL FRANCHISE		39 505	73	14 607	21	17 582	26	23 155	44	34 338	52	36 485	50
TOTAL CG CCC		475 080	849	516 010	877	576 897	928	621 811	1 025	678 635	1 063	684 887	1 045

CHANGES FLOOR SPACE OF STORES OF CCC S.A. CAPITAL GROUP.
in the period 31.12.2017-30.06.2020. [thousand m2]
(concerns continuing operations)



MARKET PRESENCE

The main sales market of CCC S.A. Group is Poland. The Group's share in the very fragmented retail footwear market in Poland is estimated at over 30%. The main market of the CCC Group is the broadly understood middle segment of the customer calculated on over 130 million pairs of shoes per year. In terms of the number of retail outlets in Poland, CCC almost doubles the offer of its largest competitor.

Apart from the Polish market, the CCC Group operates in the region of Central and Eastern Europe, Western Europe, and other countries - Russia, Ukraine, Serbia, Romania, Latvia, Lithuania, Estonia, Moldova, Kosovo, Qatar and the United Arab Emirates, Oman, Bahrain and Saudi Arabia.

The stores are located in large shopping centers or by important traffic routes, in prestigious urban locations.

In the first half of 2020 CCC S.A. Capital Group increased its retail space by 6.3 thousand m2 net, from 678.6 thousand m2 at the end of the year to 684.9 thousand m2 at the end of the first half of 2020, which is 0.9%. Compared to 30.06.2019, the increase in retail space amounted to 63.1 thousand m2.

The sales area in franchise outlets increased by 6.3% and amounts to 36.5 thousand m2 at 30.06.2020 compared to 34.3 thousand m2 at 31.12.2019.

Change of the area resulted from the enlargement of the existing commercial area by opening 31 stores with a total area of 21.8 thousand m2 and modernization and enlargement of the existing commercial area by 1.1 thousand m2. During the first half of 2020, 52 stores with a total area of 17.2 thousand m2 were closed.

RETAIL

Retail sales in the chain of own stores in the first half of 2020 included Poland, Czech Republic, Slovakia, Austria, Slovenia, Croatia, Serbia, Russia, Bulgaria, Romania and Hungary.

The total number of own stores as of 30 June 2020 was 995 (including 25 eobuwie.pl stores and 37 Gino Rossi own stores). The average floor space of these stores increased by 14.4 m2 to 652 m2 (637 m2 at the end of 2019).

Retail sales revenue decreased by 38.3% to PLN 1,052.7 million (PLN 1,706.0 million in the first half of 2019) and accounted for 49.6% of total sales allocated to segments. Revenue from retail sales per m2 was PLN 1.63 thousand (PLN 2.94 thousand in the first half of 2019).

WHOLESALE

The franchise partners to whom the wholesale is directed are present in 2020 in Poland, Ukraine, Latvia, Lithuania, Estonia, United Arab Emirates, Kosovo, Saudi Arabia, Bahrain, Qatar, Moldova and Oman. The total number of franchise stores as of 30 June 2020 was 50. The average floor space of these stores increased by 69.4 thousand m2 to 729.7 m2 (660.6 m2 at the end of 2019).

Revenues from wholesale decreased by 68.4% to PLN 29.8 million (PLN 94.4 million in 2019) and constituted 1.4% of total sales. Due to strong expansion in the Middle East, a further increase in the share of this segment in the Group's revenues is expected. The wholesale segment also includes sales to HRG's associated company.

E-COMMERCE

In the CCC Group, sales in the e-commerce channel is carried out by CCC S.A., eobuwie.pl SA, DeeZee Sp. z o.o., Gino Rossi S.A. Additionally, CCC has launched the Reserve and collect service, which gives the possibility to order goods online and collect them in the selected store. At the end of June 2020, eobuwie.pl operated in Poland, Germany, Czech Republic, Slovakia, Romania, Hungary, Ukraine, Bulgaria, Croatia, Lithuania, Greece, Sweden, Spain, France, Switzerland and Italy, DeeZee in Poland, Czech Republic, Romania, Slovakia, Ukraine and Hungary. More information about e-commerce on page 23.

Revenues from e-commerce sales amounted to 1,041.8 million PLN and represented 49.0% of total sales allocated to the segments in the first half of 2020.

https://ccc.eu/start

The CCC Group is successively developing its omnichannel business model, expanding its traditional offline sales channel with digital customer interfaces and strengthening their interpenetration. The Group has identified a clear trend of moving trade to the Internet, so its investments are focused on developing online sales platforms. The COVID-19 pandemic has strengthened the intensity of this trend and, in response, CCC has further reduced its plans to develop retail space. The Group is developing online sales platforms, which are already 60. Half of the online sales platforms in the CCC Group made their debut during the last year. The CCC Group also invests in the back-end of e-commerce platforms and the expansion of logistic capacities supporting this channel - led by the recently launched logistics center K3.

The Internet platform was launched in Poland in June 2019. It is currently available on 6 markets. In addition, CCC is also developing a mobile application, available on every market where ccc.eu operates. Recently, products from the CCC family have also made their debut on the Russian e-commerce market through very popular marketplace platforms: Ozon and Wildberries.

https://www.eobuwie.com.pl/

An internet platform operates on 16 markets. The mobile application is available on each of these markets.

The Group concentrates its development on the region of Central and Eastern Europe, strengthening its market position there as well as conducting expansion, while taking a selective approach to its development in Western Europe, focusing on the most prospective markets.

Eobuwie is also developing a chain of hybrid stores, of which 26 are already operating, and four more will be opened. This is an important enterprise in terms of attracting customers and strengthening the eobuwie brand.

https://modivo.pl/

The Modivo web platform is available on 11 markets. Additionally, a mobile application is available in Poland.

Only a year after its debut, it has already accounted for about 10% of the eobuwie Group's revenues. It is estimated that its share in the sales of eobuwie in 2022 could be even higher than the GO.22 strategy's target of 15%. Later this year, Modivo will be launched in two more markets: Switzerland and Croatia. In July, the first Modivo hybrid store was launched, which supports brand perception building.

In addition, the eobuwie Group is developing the premium clothing brand Rage Age, acquired last year.

https://deezee.pl/

An internet platform is available in 6 countries of Central and Eastern Europe. In May alone, it debuted on 4 new, very perspective markets for this brand. DeeZee has also started working on a mobile application.

https://www.gino-rossi.com/

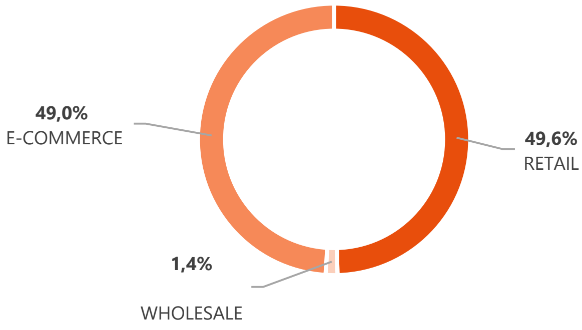
An internet platform is available in Poland. It enables customers to buy women's, men's and Gino Rossi accessories. The trademark of all Gino Rossi collections are natural leather and exquisite elegant design.

ANALYSIS OF SELECTED FINANCIAL RESULTS OF CCC S.A. CAPITAL GROUP

CCC S.A. - dominant entity in the CCC Capital Group - focuses mainly on retail distribution of goods in Poland. Moreover, it also provides, among others, logistic services for CCC.eu. The distribution of goods in the retail channel outside Poland is carried out by subsidiaries, operating in the Czech Republic, Slovakia, Slovenia, Croatia, Austria, Serbia, Bulgaria, Russia, Romania and Hungary. In Germany, the sale is carried out through an affiliate of the HR Group, in which CCC S.A. holds 30.55% of shares. The production of footwear for the Group is carried out by CCC Factory and Gino Rossi. Sales of goods in the e-commerce channel is handled by CCC S.A.*, eobuwie.pl, Gino Rossi S.A., DeeZee sp. z o.o.

* Online sales launched in June 2019.

ALLOCATION OF CONSOLIDATED SALES REVENUES IN THE FIRST HALF OF 2020



* Refers to sales revenues allocated to segments.

HOW WE DEFINE THE SPECIFIC ELEMENTS OF THE RESULT

Sales revenues include revenues from the sale of goods, products and services under a sublease obtained under normal business activity. Data concerning revenues by segments placed in the tables below present sales to external customers - intra-group sales were omitted and consolidation adjustments were taken into account so that the value of revenues is identical to the revenue item in the consolidated financial statement.

The Group recognizes as cost of goods sold, the value of sold packaging, the cost of provision for complaints, the value of sold finished products, the cost of sublease services, logistic and accounting services, inventory revaluation write-offs and write-offs for impairment of fixed assets and intangible assets used in the production of goods or provision of services (depreciation of production machines).

Gross profit on sales is calculated as the difference between sales revenue and cost of goods sold, and gross profit margin as the ratio of gross profit to sales revenue from external customers. Additionally, in the analysis we use the following values: revenue per m2 of retail space and sales of Like-for-Like stores - the definitions of these measures are included in individual tables.

	SALES REVENUE		CHANGE %	REVENUE PER 1M2 OF FLOORSPACE (IN THOUSAND PLN)	
	01.2020-06.2020 UNAUDITED	01.2019-06.2019 UNAUDITED/ TRANSFORMED DATA		01.2020-06.2020 UNAUDITED	01.2019-06.2019 UNAUDITED/ TRANSFORMED DATA
Poland	662,0	1 065,5	-37,9%	1,99	3,49
CEE	307,7	515,6	-40,3%	1,31	2,49
Western Europe	41,8	60,9	-31,4%	1,30	2,00
Other countries	41,2	64,0	-35,6%	0,91	1,66
Retail activities	1 052,7	1 706,0	-38,3%	1,63	2,94
E-commerce	1 041,8	628,6	65,7%		
Wholesale/ service	29,8	94,4	-68,4%		
Manufacturing	0,2	0,1	100%		
Sales revenue not allocated to the segment	61,6	28,7	>100%		
Total	2 186,1	2 457,8	-11,1%		

1) Sales revenues relate exclusively to sales to external customers. 2) Revenue per 1m2 in area is calculated by dividing the value of revenue for the period of 6 months of a given year by the average number of m2 of floor space in the same period.

Sales revenues in the first half of 2020 amounted to PLN 2,186.1 million, a decrease of PLN 271.7 million (-11.1%) compared to the previous year. The change results from a PLN 653.3 million (-38.3%) drop in revenue in the retail business segment, caused in particular by administrative restrictions on sales in the offline channel. On the other hand, revenues from e-commerce activities increased by PLN 413.2 million (+65.7%) and production activities increased by PLN 0.1 million (+100%). The wholesale business segment saw revenue decline by PLN 64.6 million (-68.4%). This segment also includes sales to HRG's associated company.

The share of revenues from retail sales in total sales allocated to segments in the first half of 2020 amounted to 49.6% (2019: 70.2%), with a increasing share of e-commerce 49.0% (2019: 25.9%) and 1.4% (2019: 3.9%).

The revenue generated in the first half of 2020 was most affected by the closure of outlets in the period from March to June (depending on the country) due to the spreading COVID-19 pandemic, as well as changes in sales in existing outlets and changes resulting from the opening and closing of retail outlets. Data on the breakdown of sales by continuing operations and newly opened or closed outlets are as follows:

	LIKE-FOR-LIKE STORES [1]			CHANGE %	OTHER STORES [2]	
	NUMBER OF STORES	01.2020-06.2020	01.2019-06.2019		01.2020-06.2020	01.2019-06.2019
Poland	403	525,2	891,0	-41,1%	136,8	174,6
CEE	300	255,7	465,2	-45,0%	52,0	50,4
Western Europe	46	38,0	58,7	-35,3%	3,8	2,3
Other countries	40	27,8	54,7	-49,2%	13,4	9,3
TOTAL	789	846,6	1 469,6	-42,4%	206,1	236,6

[1] Like-for-Like stores are stores that operated continuously from 30 June 2018 to 30 June 2020,

[2] Other stores are all other stores, including: stores newly opened in the current or previous year; stores closed in the current or previous year; and stores that had a break in operation.

The table does not include Gino Rossi stores acquired in March 2019 and discontinued operations of KVAG.

The change in sales in Like-for-Like stores was also influenced by the outbreak of the pandemic and the restrictions related to it. Sales fell by PLN 623.0 million (-42.4%). Decreases in Like-for-Like stores were recorded in all markets: Poland (-41.1%), (Central and Eastern Europe), (-45.0%), in Western Europe (-35.3%) and other countries (-49.2%).

Poland remains the largest sales market, with 51.1% of total sales in the first half of 2020 compared to 43.6% in the corresponding period of 2019.

Revenues from retail sales in Poland in the first half of 2020 amounted to PLN 662.0 million, down by PLN 403.6 million (-37.9%) year-on-year. The change in revenue compared to the previous year was influenced by sales in Like-for-Like stores PLN -365.8 million (-41.1%) and sales in other stores PLN -37.8 million (-21.6%). During this period, CCC and eobuwie stores with a total area of 13.3 thousand m2 were opened and enlarged in Poland, 7.8 thousand m2 were closed, and the net retail area increased by 4.8 thousand m2.

In the whole segment of Central and Eastern Europe (Czech Republic, Slovakia, Hungary, Slovenia, Croatia, Bulgaria, Romania) retail sales revenues amounted to PLN 307.7 million, down by PLN 207.9 million (40.3%) compared to the previous year. In the same period, net retail space in Central and Eastern Europe decreased by 0.8 thousand m2.

The largest market in this segment in terms of revenues is the Czech Republic, which accounts for 28.6% (-1.0% compared to 2019) of revenues from external customers in Central and Eastern Europe and 8.4% of total retail revenues from external customers (share without changes compared to 2019).

In the first half of 2020, sales to external customers in Czech Republic amounted to PLN 88.0 million, down by PLN 54.5 million (-38.2%). At the same time, sales in Czech Republic decreased by 2.1 thousand m2.

The second largest market in this segment is Hungary, with a 21.7% share in revenues from external customers in Central and Eastern Europe and 6.4% in total retail sales.

Revenues from external customers in this market amounted to PLN 66.9 million in the first half of 2020, down by PLN 42.4 million (-38.8%) from 2019. In 2020, net retail space in Hungary decreased by 0.7 thousand m2.

The significant CEE markets also include Romania, with a share of 16.8% (PLN 51.8 million) in the region's sales revenues, and Slovakia, with a share of 16.1% (PLN 49.5 million) in the region's sales revenues.

Other dynamically growing markets included Croatia (with 7.9% of CEE sales), Slovenia (5.5%), and Bulgaria (3.3%).

In the Western Europe segment, the Austrian market achieved sales revenues from external customers of PLN 41.8 million, down 31.4% from PLN 60.9 million last year.

Sales revenues in the first half of 2020 in the dynamically growing e-commerce segment amounted to PLN 1,041.8 million, up by PLN 413.4 million (+65.8%) compared to the previous year. The largest share of sales revenue in the e-commerce channel is recorded in Poland (PLN 441.9 million; +77.2%), Romania (PLN 118.8 million; +56.9%), Hungary (PLN 80.5 million; +26.8%) and Czech Republic (PLN 78.8 million PLN; +39.5%).

[in PLN million unless otherwise stated]

SALES RESULTS

	01.2020-06.2020	01.2019-06.2019	CHANGE %
	UNAUDITED	UNAUDITED/ TRANSFORMED DATA	
Revenues from sales to external customers	**2 186,1**	**2 457,8**	**-11,1%**
allocated to segments	2 124,5	2 429,1	-12,5%
not allocated to segments	61,6	28,7	>100%
Cost of goods sold	**(1 235,6)**	**(1 256,9)**	**-1,7%**
allocated to segments	(1 174,0)	(1 228,2)	-4,4%
not allocated to segments	(61,6)	(28,7)	>100%
Cost of purchase of goods sold	(1 126,0)	(1 138,4)	-1,1%
Cost of manufacturing goods sold	(38,3)	(82,8)	-53,7%
Write-dow n on inventories	(9,7)	(7,2)	34,7%
Total	950,5	1 200,9	-20,9%

GROSS PROFIT ON SALES

	GROSS PROFIT ON SALES		CHANGE %	GROSS PROFIT MARGIN ON SALES	
	01.2020-06.2020	01.2019-06.2019		01.2020-06.2020	01.2019-06.2019
	UNAUDITED	UNAUDITED/ TRANSFORMED DATA		UNAUDITED	UNAUDITED/ TRANSFORMED DATA
Poland	295,5	541,3	-45,4%	44,6%	50,8%
CEE	154,5	300,6	-48,6%	50,2%	58,3%
Western Europe	22,9	40,0	-42,8%	54,8%	65,8%
Other countries	11,8	33,6	-64,9%	28,6%	52,5%
Retail activity	484,7	915,5	-47,1%	46,0%	53,7%
E-commerce	461,6	270,0	71,0%	44,3%	43,0%
Wholesale/ service	4,3	15,8	-72,8%	14,4%	16,7%
Manufacturing	(0,1)	(0,4)	-75,0%	na	na
Total	950,5	1 200,9	-20,9%	44,7%	49,4%
Unallocated to segments	-	-			
Total	950,5	1 200,9	-20,9%	44,7%	49,4%

Consolidated gross profit on sales in the first half of 2020 amounted to PLN 950.5 million and was 20.9% lower than in the comparable period of the previous year. Share of the retail segment in the gross profit on total sales in the first half of 2020 amounted to 51.0% (2019: 76.2%), with a growing share of e-commerce 48.6% (2019: 22.5%).

Consolidated gross margin on sales in the first half of 2020 amounted to 44.7% and was 4.7 p.p. lower than in the comparable period. Margin in the retail sales segment in 2020 amounted to 46.0%, a decrease by 7.6 p.p. compared to 2019.

COSTS OF OPERATING STORES/WHOLESALE AND RESULTS ON SEGMENTS

HOW WE DEFINE COMPONENTS OF THE RESULT

Costs of operating stores include the costs of maintaining the stores. This item includes mainly depreciation of the right to use assets resulting from contracts for the lease of premises in which the stores are operated; depreciation of tangible fixed assets; depreciation of intangible assets; costs of external services; costs of remunerations of store employees; other costs by type.

[in PLN million unless otherwise stated]

RESULTS OF SEGMENTS

01.2020-06.2020	SALES REVENUE	GROSS PROFIT ON SALES	COSTS OF OPERATING STORES	OTHER COSTS OF SALE	RESULT ON SEGMENT
UNAUDITED					
Poland	662,0	295,5	(267,9)	(137,5)	(109,9)
CEE	307,7	154,5	(224,3)	(53,6)	(123,4)
Western Europe	41,8	22,9	(48,1)	(8,7)	(33,9)
Other countries	41,2	11,8	(28,0)	(6,7)	(22,9)
Retail activity	1 052,7	484,7	(568,3)	(206,5)	(290,1)

01.2019-06.2019	SALES REVENUE	GROSS PROFIT ON SALES	COSTS OF OPERATING STORES	OTHER COSTS OF SALE	RESULT ON SEGMENT
UNAUDITED/ TRANSFORMED DATA					
Poland	1 065,5	541,3	(312,6)	(98,6)	130,1
CEE	515,6	300,6	(228,3)	(55,2)	17,1
Western Europe	60,9	40,0	(53,1)	(15,4)	(28,5)
Other countries	64,0	33,6	(34,4)	(6,5)	(7,3)
Retail activity	1 706,0	915,5	(628,4)	(175,7)	111,4

The changes in gross profit, costs of operating stores and results of segments between 2020 and 2019 are presented in the table below:

CHANGE %	SALES REVENUE	GROSS PROFIT ON SALES	COSTS OF OPERATING STORES	OTHER COSTS OF SALE	RESULT ON SEGMENT
Poland	-37,9%	-45,4%	-14,3%	39,5%	<-100%
CEE	-40,3%	-48,6%	-1,8%	-2,9%	<-100%
Western Europe	-31,4%	-42,8%	-9,4%	-43,5%	18,8%
Other countries	-35,6%	-64,9%	-18,6%	3,1%	>100%
Retail activity	-38,3%	-47,1%	-9,6%	17,5%	<-100%

In 2020, compared to the previous year, costs of operating stores decreased by PLN 60.1 million, while the result of the retail segment decreased by PLN 401.5 million.

[in PLN million unless otherwise stated]

	01.2020-06.2020	01.2019-06.2019	CHANGE %
	UNAUDITED	UNAUDITED/ TRANSFORMED DATA	
Remuneration and employee benefits	(168,3)	(214,1)	-21,4%
Agency services	-	(2,7)	-100,0%
Other lease costs	(51,6)	(55,7)	-7,4%
Amortization and depreciation	(287,6)	(265,7)	8,2%
Taxes and fees	(1,9)	(4,1)	-53,7%
Consumption of materials and energy	(27,3)	(30,8)	-11,4%
Transportation services	(2,6)	(2,4)	8,3%
Other outsourcing services	(28,6)	(48,3)	-40,8%
Other flat costs	(2,1)	(4,6)	-54,3%
Total	(570,0)	(628,4)	-9,3%

COSTS OF OPERATING STORES

In the period 01-06.2020, costs of operating stores amounted to 570.0 million PLN and were lower by 58.4 million PLN (-9.3%), with an increase in retail space in the analyzed period by 10.1%. The most important groups of costs are amortization and depreciation, costs of remuneration and employee benefits and other lease costs, which constituted 50.5%, 29.5% and 9.1% of the total costs of operating stores respectively.

In order to analyze and compare the results of individual stores, the Group uses cost per square meter of retail space, taking into account the impact of IFRS 16. On a half-year basis, the cost per square meter for all companies changed slightly (-1.3% y/y) compared to the previous year and in the first half of 2020 amounted to PLN 0.96 thousand per m2. The company acquired in 2019 (Gino Rossi) was not taken for analysis.

OTHER COSTS OF SALE

In the period 01-06.2020, other costs of sales amounted to PLN 572.3 million and were higher by PLN 156.3 million (+37.6%). The most significant cost groups were other external services, which accounted for 35.3%, and transportation costs, which accounted for 18.8%.

	01.2020-06.2020	01.2019-06.2019	CHANGE %
	UNAUDITED	UNAUDITED/ TRANSFORMED DATA	
Remuneration and employee benefits	(99,3)	(90,8)	9,4%
Other lease costs	(12,2)	(11,3)	8,0%
Amortization and depreciation	(15,4)	(15,3)	0,7%
Taxes and fees	(7,8)	(2,4)	>100%
Consumption of materials and energy	(22,5)	(12,2)	84,4%
Transportation services	(107,5)	(91,3)	17,7%
Other outsourcing services	(202,0)	(127,3)	58,7%
Other flat costs	(105,6)	(65,1)	62,2%
Changes in products and production in progress		(0,3)	
Total	(572,3)	(416,0)	37,6%

[in PLN million unless otherwise stated]

ADMINISTRATIVE EXPENSES

In the period 01-06.2020, administrative expenses amounted to PLN 94.7 million and were lower by PLN 20.8 million (-18.0%). The most important cost groups were remunerations and employee benefits, accounting for 32.6%, and other external services, accounting for 30.6%.

	01.2020-06.2020	01.2019-06.2019	CHANGE %
	UNAUDITED	UNAUDITED/ TRANSFORMED DATA	
Remuneration and employee benefits	(30,9)	(30,3)	2,0%
Cost of incentive program	-	(11,2)	-100,0%
Agency services	-	(0,1)	-100,0%
Other lease costs	(5,5)	(2,5)	>100%
Amortization and depreciation	(16,5)	(12,3)	34,1%
Taxes and fees	(3,5)	(26,3)	-86,7%
Consumption of materials and energy	(6,3)	(5,1)	23,5%
Transportation services	-	(0,1)	-100,0%
Other outsourcing services	(29,0)	(20,2)	43,6%
Other flat costs	(3,0)	(7,4)	-59,5%
Total	(94,7)	(115,5)	-18,0%

IMPACT OF OTHER REVENUES AND COSTS

HOW WE DEFINE COMPONENTS OF THE RESULT

Other costs of sales include costs of organizational units supporting sales and development of sales network, including costs of expansion department, regional managers, costs of logistics and marketing department.

Administrative expenses include costs related to the management of the Group's overall business activity (costs of finance and accounting departments, administration, management costs) and general costs.

Other operating income and expenses include income and expenses from activities that are not the core business of the entity, e.g. profits or losses on disposal of property, plant and equipment, penalties and fines, donations, etc.

Finance income includes the following items: interest income on current account and others; result on exchange rate differences and other financial income.

Finance costs include the following costs: interest on loans and credits; commissions paid and other finance costs.

Income tax includes the accrued and deferred tax.

[in PLN million unless otherwise stated]

	01.2020-06.2020	01.2019-06.2019	CHANGE %
	UNAUDITED	UNAUDITED/ TRANSFORMED DATA	
Performance of segment	(191,8)	156,5	<-100%
Administrative expenses	(94,7)	(115,5)	-18,0%
Other cost and revenue	(146,7)	5,9	<-100%
Write-offs on expected credit losses (trade receivables revaluation w rite-offs)	(63,2)	-	-
	(496,4)	46,9	<-100%
Finance income	38,5	15,8	>100%
Write-offs on expected credit losses	(116,0)	-	-
Other finance costs	(96,9)	(73,7)	31,5%
Share in profits (losses) of associates	(28,3)	(3,9)	>100%
Profit (loss) before tax	(699,1)	(14,9)	>100%
Income tax	33,3	2,0	>100%
Net profit (loss) on continuing operations	(665,8)	(12,9)	>100%
Adjusted net profit (loss)	(659,6)	(1,3)	>100%

OPERATING INCOME AND COSTS

Other operating costs and income in the first half of 2020 amounted to PLN 169.1 million and PLN 22.4 million respectively, which in net terms represented PLN 146.7 million on the cost side, compared to PLN 5.9 million on the income side in the previous year. The main reason for the change compared to the same period in 2019 was the recognition of impairment losses on property, plant and equipment and the right of use in the amount of PLN 57.5 million and recognition of provisions for costs related to store closures in the amount of PLN 46.1 million. Moreover, the Group created a write-down for expected credit losses (impairment of trade receivables) in the amount of PLN 63.2 million.

PROFIT (LOSS) ON OPERATING ACTIVITIES

CCC Group achieved the operating loss in the first half of 2020 in the amount of PLN 496.4 million compared to the same period in 2019 (profit of PLN 46.9 million), the result was lower by PLN 543.3 million.

FINANCE INCOME AND COSTS

In the first half of 2020, finance income amounted to PLN 38.5 million and was higher by PLN 22.7 million compared to the previous year. The main factor contributing to the increase in income was the valuation of KVAG's call option for non-controlling interests of PLN +22.8 million (for put options related to acquisition of minority interests).

Finance costs in the same period of 2020 amounted to PLN 96.9 million, PLN 23.2 million higher than in the previous year. Finance costs in the reporting period consisted mainly of interest on loans, credits and bonds in the amount of PLN 18.7 million, interest on leasing in the amount of PLN 15.1 million, result on exchange rate differences in the amount of PLN 23.1 million, and among others, the valuation of non-controlling interests call option (PLN 13.0 million, 2019: PLN 14.3 million), HRG valuation (PLN 13.2 million, 2019: PLN 23.1 million). In addition, the Group recognized a write-down for expected credit losses of PLN 116.0 million.

NET RESULT

Having included finance income and costs, share in the associate's loss and income tax, the net loss in the first half of 2020 amounted to PLN 665.8 million and was higher by PLN 652.9 million than in the corresponding period of 2019.

[in PLN million unless otherwise stated]

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (REVIEW OF MAIN ITEMS)

	30.06.2020 UNAUDITED	2019-12-31	CHANGE %
Non-current assets, including:	3 568,0	4 210,5	-15,3%
Tangible fixed assets	1 320,5	1 380,0	-4,3%
Right of use assets	1 538,4	1 986,6	-22,6%
Deferred tax assets	157,1	110,3	42,4%
Current assets, including:	2 886,6	2 933,2	-1,6%
Inventories	1 994,6	1 942,3	2,7%
Cash and cash equivalents	505,6	542,6	-6,8%
Assets of the group held for sale	288,1	-	-
TOTAL ASSETS	6 742,7	7 143,7	-5,6%
Non-current liabilities, including:	2 609,5	3 095,8	-15,7%
Debt liabilities	310,5	683,0	-54,5%
Current liabilities, including:	3 178,3	2 958,3	7,4%
Debt liabilities	1 277,9	830,4	53,9%
Trade liabilities and other liabilities	1 421,7	1 536,2	-7,5%
Liabilities directly related to assets classified as held for sale	300,3	-	-
TOTAL LIABILITIES	6 088,1	6 054,1	0,6%
EQUITY	654,6	1 089,6	-39,9%

NON-CURRENT ASSETS

HOW WE DEFINE COMPONENTS OF THE RESULT

Tangible fixed assets include: investments in third-party fixed assets (i.e. expenditures in leased premises used for the retail sale of goods); fixed assets used in production and distribution activities and other.

Deferred tax assets and liabilities are recognized (i) as a result of differences between the carrying values of assets and liabilities and the corresponding tax values, and (ii) in relation to unused tax losses.

Fixed assets as of 30 June 2020 consisted of, among others, tangible fixed assets (PLN 1,320.5 million), rights of use (PLN 1,538.4 million), intangible assets (PLN 313.6 million), goodwill (PLN 216.8 million), deferred tax assets (PLN 157.1 million). The value of fixed assets, as compared to 31 December 2019, decreased by 15.3% to the level of PLN 3,568.0 million, mainly due to the reclassification of KVAG assets to the category of assets classified as held for sale, decrease in the value of the right to use (as a result of KVAG reclassification, renegotiation of lease agreements and created impairment losses) and created impairment losses on loans granted.

Deferred tax assets reported as at 30 June 2020 mainly concerned the recognition of deferred tax assets in connection with the valuation of lease contracts, acquisition of trademarks, provisions for liabilities and amounted to PLN 157.1 million as at the balance sheet date. Detailed description of recognition of deferred tax assets and liabilities is presented in note 3.4 to the consolidated financial statements.

[in PLN million unless otherwise stated]

	TANGIBLE FIXED ASSETS		CHANGE %	
	30.06.2020	2019-12-31	VALUE OF TANGIBLE FIXED ASSETS	CHANGE OF FLOOR SPACE
Investment in stores	612,4	655,9	-6,6%	0,6%
Factory and distribution	604,3	615,8	-1,9%	
Land, buildings and constructions	407,8	382,4	6,6%	
Machines and equipment	161,9	170,5	-5,0%	
Tangible fixed assets in progress	34,7	62,9	-44,8%	
Other	103,8	108,3	-4,2%	
Total	1 320,5	1 380,0	-4,3%	

CURRENT ASSETS

HOW WE DEFINE COMPONENTS OF THE RESULT

Inventories are stated at the lower of purchase price or production cost or net selling price. Costs of finished goods and work in progress comprise design costs, raw materials, direct labour, other direct costs and general production costs.

In the event of circumstances resulting in a decrease in the value of inventories, a write-down is made to the cost of goods sold.

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

Current assets as of 30 June 2020 amounted to PLN 2,886.6 million and consisted of inventories (PLN 1,994.6 million), cash and cash equivalents (PLN 505.6 million), receivables from customers and other receivables (PLN 377.3 million), income tax receivables (PLN 1.5 million) and derivative financial instruments (PLN 7.6 million). Current assets decreased by 1.6% from PLN 2,933.2 million as of 31 December 2019.

Main reason for the decrease in current assets was the reclassification of KVAG's assets to the category of assets classified as held for sale and the decrease in cash and cash equivalents (PLN -37.0 million; -6.8%), which at the end of 2019 amounted to PLN 542.6 million.

As of 30 June 2020, 37.5% of all goods of the CCC Group were located within the retail network, in the main warehouse of the Group, i.e. in the Logistics Centre in Polkowice (about 36.4% of all goods) and in the warehouses of eobuwie company (26.1%). In 2020, as at the balance sheet date, the inventory write-down amounted to PLN 32.9 million, while at the end of 2019 it amounted to PLN 21.1 million. The inventory turnover rate (309 days in 2020) increased by 7.3% compared to the end of 2019.

[in PLN million unless otherwise stated]

	30.06.2020	2019-12-31	CHANGE %
Retail activity	725,9	860,3 [1]	-15,6%
Warehouse	724,3	565,1	28,2%
E-commerce	540,9	487,5	11,0%
Factory	62,9	86,7	-27,5%
Gross total inventories	2 054,0	1 999,6	2,7%
Consolidation adjustments	(59,4)	(57,3)	
Net total inventories	1 994,6	1 942,3	2,7%
Share of write-down on inventories against the net value of inventories	-1,6%	-1,1%	
Inventory turnover ratio [2]	261 days	232 days [3]	12,5%

[1] The amount includes PLN 156.7 million of inventory concerning KVAG discontinued operations.

[2] The inventory turnover ratio is calculated as the ratio of inventory at the end of the period to the cost of goods sold in the last 4 quarters multiplied by the number of days in the period.

[3] The ratio was calculated excluding inventories related to discontinued operations in the amount of PLN 156.7 million.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents of the CCC S.A. Capital Group as of 30 June 2020 amounted to 505.6 million PLN, decreasing by 37.0 million PLN (-6.8%) compared to the end of 2019 in the balance sheet. The cash flow statement additionally includes the position of exchange rate changes from the valuation of cash and cash equivalents at PLN 0.7 million. At the end of the first half of 2020. 99.4% of cash was in the cash in hand and in the bank account.

EQUITY AND DEBT LIABILITIES

JAK DEFINIUJEMY POSZCZEGÓLNE ELEMENTY MAJĄTKU

Equity is recognized in the accounting books with a division into the following types: basic (share) capital; capital reserve; retained earnings; and other capital.

Debt liabilities include mainly bank loans and issued bonds.

Trade liabilities are classified as short-term liabilities, if the due date falls within one year, otherwise the liabilities are shown as long-term. Trade liabilities are valued at the amount of due payment.

As of 30 June 2020, the equity of the CCC Group decreased by PLN 435.0 million (-39.9%) compared to 31 December 2019. The decrease in equity was influenced, among others, by the net loss from continued and discontinued operations, which in 2020 amounted to 941.2 million PLN, partially offset by the impact of a share issue in the amount of 504.3 million PLN.

Long-term liabilities as of 30 June 2020 amounted to PLN 2,609.5 million, down by PLN 486.3 million (-15.7%) from PLN 3,095.8 million as of 31 December 2019. The total amount of long-term liabilities as at the end of June 2020 consisted of long-term debt liabilities of PLN 310.5 million, liabilities due to the obligation to buy out minority shares (mainly eobuwie) of PLN 784.3 million, lease liabilities of PLN 1 446.9 million, liabilities to employees of PLN 0.3 million, provisions of PLN 14.0 million, deferred tax liabilities of PLN 37.4 million and received subsidies of PLN 16.1 million. The decrease in value of liabilities is primarily the effect of reclassification of KVAG to liabilities directly related to assets classified as held for sale.

Short-term liabilities as of 30 June 2020 amounted to PLN 3,178.3 million, increasing by PLN 220.0 million (7.4%) from PLN 2,958.3 million as of 31 December 2019. The total short-term liabilities as of the end of June 2020 consisted mainly of debt liabilities (PLN 1 277.9 million; increase by 53.9%); liabilities to suppliers, which amounted to PLN 935.9 million; lease liabilities, which amounted to PLN 440.1 million; other liabilities, which amounted to PLN 485.8 million; income tax liabilities, which amounted to PLN 17.5 million; provisions, which amounted to PLN 17.4 million and subsidies, which amounted to PLN 3.7 million.

Debt liabilities are discussed on page 37 - "Debt and liquidity of CCC S.A. Group".

[in PLN million unless otherwise stated]

CONSOLIDATED STATEMENT OF TOTAL CASH FLOWS (REVIEW OF MAIN ITEMS)

	01.2020-06.2020	01.2019-06.2019	CHANGE %
	UNAUDITED	UNAUDITED/ TRANSFORMED DATA	
Gross profit before tax	(973,2)	(121,8)	>100%
Adjustments	796,6	454,3	75,3%
Income tax paid	(10,0)	(28,4)	-64,8%
Cash flows before changes in working capital	186,6	304,1	-38,6%
Changes in working capital	(142,2)	153,3	<-100%
Cash flows from operating activities	328,8	457,4	-28,1%
Cash flows from investing activities	(70,5)	(454,7)	-84,5%
Cash flows from financing activities, including:	361,6	135,8	>100%
Proceeds from credits and loans contracted	84,9	495,2	-82,9%
Total cash flows	37,7	138,5	-72,8%

NET CASH FLOWS FROM OPERATING ACTIVITIES

Consolidated net cash flows from operating activities in the first half of 2020 amounted to PLN -328.8 million and resulted from changes in working capital of PLN -142.2 million (including change in short-term liabilities of PLN -33.9 million and change in write-downs on inventories of PLN -210.7 million) adjusted by non-cash operating profit of PLN -186.6 million.

NET CASH FLOWS FROM INVESTING ACTIVITIES

Consolidated net cash flows from investing activities in the first half of 2020 amounted to PLN -70.5 million. This value consisted primarily of expenses for tangible and intangible assets related to the implementation of the market expansion strategy - these expenses in 2020 amounted to PLN -32.4 million, as well as other expenses related to investments (PLN -31.6 million) and expenses for the acquisition of non-controlling interests worth PLN -7.0 million.

NET CASH FLOWS FROM FINANCING ACTIVITIES

Consolidated net cash flows from financing activities in the first half of 2020 amounted to PLN +361.6 million. This value consisted primarily of cash inflows from the issue of shares of +506.9 million PLN, inflows from loans and borrowings of +84.9 million PLN and lease payments of -198.4 million PLN.

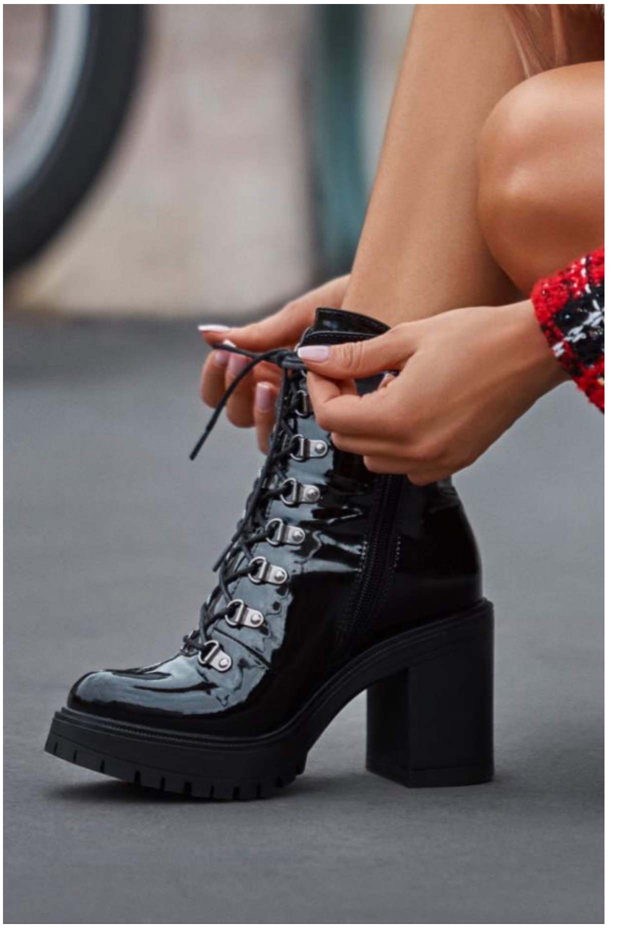
Taking into consideration the discussed cash flows, the CCC Group ended the first half of 2020 with a cash balance of PLN 504.9 million, which represented a decrease of PLN 7.9 million compared to 31.12.2019.

PUBLICATION OF FINANCIAL FORECASTS

No forecasts for 2020 were published.

[in PLN million unless otherwise stated]

CASH AND LIQUIDITY MANAGEMENT



DEBT AND LIQUIDITY OF CCC S.A. GROUP

The CCC Group provides financing for its activities by equity and debt capital, consisting of credits, loans and bonds issued.

LOANS AND BONDS

At the end of June 2020. The Group had long-term debt liabilities in the amount of PLN 310.5 million, which consisted of bank loans.

As compared to 31 December 2019, the long-term part of the debt liabilities decreased by PLN 372.5 million, largely due to a change in the presentation of bonds (PLN 210.0 million) from long-term to short-term debt.

As at the end of June 2020, the short-term debt item consisted of bonds in the amount of PLN 210.0 million and loans. This item increased by PLN 447.5 million compared to the end of 2019.

BANK	COMPANY	TYPE	DATE OF CONCLUSION	MATURITY DATE	AMOUNT [MILLION]	USE [MILLION]	CURRENCY
credit agreements							
Pekao S.A.	CCC.eu Sp. z o.o	Short-term credit	2014-10-14	2021-04-30	300	284,8	PLN
PKO BP	CCC.eu Sp. z o.o	Short-term credit	2019-11-21	2021-04-30	50	44,9	PLN
mBank	CCC.eu Sp. z o.o, CCC S.A.	Short-term credit	2018-12-17	2021-04-30	150	149,1	PLN
Citibank	CCC.eu Sp. z o.o	Short-term credit	2009-03-03	2021-04-30	101	97,7	PLN
PKO BP	eobuw ie.pl S.A.	Short-term credit	2019-11-21	2021-04-30	20	-	PLN
Pekao S.A.	eobuw ie.pl S.A.	Short-term credit	2017-10-26	2021-04-30	250	165,8	PLN
PKO BP	Gino Rossi S.A.	Short-term credit	2019-11-21	2021-04-30	10	9,1	PLN
Citibank	CCC Russia	Short-term credit	2019-12-20	2021-04-30	1 124,6	1 124,6	RUB
BNP Paribas	CCC S.A., Karl Voegele AG	Short-term credit	2019-10-21	2021-04-30	17	16,8	CHF
Citibank	CCC.eu Sp. z o.o	Long-term credit	2009-03-03	2021-04-30	101	101	PLN
PKO BP	CCC.eu Sp. z o.o	Long-term credit	2019-11-21	2022-11-21	220	220	PLN
PKO BP	eobuw ie.pl S.A.	Long-term credit	2019-11-21	2022-11-21	180	180	PLN
mBank	CCC S.A.	Bonds	2018-06-29	2021-06-29	210	210	PLN
UBS	Karl Voegele AG	Emergency aid funding	2020-04-08	2025-03-29	0,5	0,5	CHF
Ceska sporitelna,	CCC Czech, CCC Slovakia	Emergency aid funding	2020-04-06	2021-06-30	42,3	0	CZK
Total credit agreements in PLN					1 592,0	1 462,4	PLN
Total credit agreements in RUB					1 124,6	1 124,6	RUB
Total credit agreements in CZK					42,3	0	CZK
Total limit on bank guarantees in CHF					17,5	17,3	CHF

[in PLN million unless otherwise stated]

BANK	COMPANY	TYPE	DATE OF CONCLUSION	MATURITY DATE	AMOUNT [MILLION]	USE [MILLION]	CURRENCY
limit on bank guarantees							
PKO BP	CCC S.A.	Limit on bank guarantees	2019-11-21	2021-04-30	45	34,6	PLN
PKO BP	Gino Rossi S.A.	Limit on bank guarantees	2019-11-21	2021-04-30	5	4,3	PLN
mBank	CCC S.A.	Limit on bank guarantees	2012-11-04	2021-04-30	34	28,4	PLN
Santander	CCC S.A.	Limit on bank guarantees	2009-03-31	2021-04-30	65	52,7	PLN
Santander	CCC S.A.	Limit on bank guarantees	2018-04-11	2021-04-30	17	17	PLN
BNP Paribas Bank Polska S.A.	CCC S.A.	Limit on bank guarantees	2011-05-04	2021-04-30	50	21,4	PLN
Societe Generale	CCC S.A.	Limit on bank guarantees	2017-07-06	until the last guarantee expires	-	1	PLN
Pekao S.A.	eobuwie.pl S.A.	Limit on bank guarantees	2017-10-26	2021-04-30	20	17,3	PLN
Ceska sporitelna,	CCC Czech, CCC Slovakia	Limit on bank guarantees	2020-04-06	2021-06-30	117,3	117,3	CZK
Raiffeisen	CCC Hungary	Limit on bank guarantees	2014-06-25	2021-12-31	3	1,3	EUR
Total limit on bank guarantees in PLN					236	176,7	PLN
Total limit on bank guarantees in EUR					3	1,3	EUR
Total limit on bank guarantees in CZK					117,3	117,3	CZK

INFORMATION ON BONDS

In June 2014. The Company carried out the first issue of CCC S.A. Bonds series 1/2014, under the Bond Issue Program up to PLN 500 million.

The Bonds were issued in Polish zloty, as bearer securities, dematerialized, coupon securities. The agent of the issue was mBank S.A.

In June 2018. The Company carried out the second issue of CCC S.A. Bonds series 1/2018, combined with the earlier redemption of Bonds series 1/2014.

Both series were issued with the following conditions of issue:

1. The nominal value of one Bond – 1,000;

2. Issue Price: equal to the nominal value of one Bond;

3. Number of Bonds: 210,000 in series 1/2014 and 210,000 in series 1/2018;

4. Total nominal value of Bonds: PLN 210 million in Series 1/2014 and PLN 210 million in Series 1/2018;

5. Redemption of Bonds – a one-off redemption at the nominal value of Bonds on 10 June 2019 for series 1/2014 and on 29 June 2021 for series 1/2018;

6. Interest rate on the coupon bonds: according to a variable interest rate, based on WIBOR 6M, increased by a fixed margin; interest shall be paid in half-year periods;

7. Listing in the alternative trading system on Catalyst – series 1/2014 bonds listed from 16.10.2014. Series 1/2014 bonds were registered on 20 July 2018 by the National Securities Depository S.A.

After the issue of 210,000 Series 1/2018 Bonds and the redemption of 210,000 Series 1/2014 Bonds, 210,000 Series 1/2018 Bonds are currently on the market.

[in PLN million unless otherwise stated]

INFORMATION ON COVENANTS

In accordance with the agreement with banks, financing institutions and bondholders of 24/04/2020, the Group is bound by a financial covenant - a minimum cash balance ratio of no less than PLN 40,000,000, tested by the Company on a weekly basis.

„Indicator "means the balance of cash, understood as the sum of positive balances on the Group's bank accounts maintained by the Creditors (excluding the amounts constituting the collateral for security deposits or security deposits, but taking into account the available but unused limits for Financial Instruments in the form of revolving loans and overdrafts) as at the date of the relevant report.

As at 30 June 2020, during the reporting period and until the date of approval of the report for publication, there were no violations of covenants included in the above-mentioned agreements.

DEBT RATIOS

The Management Board of the CCC Group uses the general debt ratio to analyze the debt level. Below is a review of the ratio.

The general debt ratio is calculated as the ratio of net debt to total capital employed. Net debt is calculated as the sum of credits and loans (including current and non-current credits and issued bonds indicated in the consolidated statement of financial position) less cash and cash equivalents. The total value of capital employed is calculated as equity shown in the consolidated statement of financial position plus net debt.

The debt ratio increased by 15,3 p.p. compared to the end of the previous year, mainly due to a decrease in equity by PLN 435.0 million and increase in net debt by PLN 112.0 million. The calculation of the debt ratio is presented below:

	30.06.2020 UNAUDITED	2019-12-31
Net debt		
Loan liabilities	1 378,3	1 303,4
(+) Bonds liabilities	210,1	210,0
= Debt liabilities	1 588,4	1 513,4
(-) Cash and cash equivalents	505,6	542,6
= Net debt	1 082,8	970,8
Debt ratio		
Total equity	654,6	1 089,6
(+) Net debt	1 082,8	970,8
= Capital employed	1 737,4	2 060,4
The debt ratio (net debt/capital employed)	62,3%	47,0%

[in PLN million unless otherwise stated]

CURRENT LIQUIDITY RATIO

This ratio is calculated by dividing current assets by the value of current liabilities and current provisions. The calculation of the ratio is presented below:

	30.06.2020	2019-12-31
	UNAUDITED	
Inventories	1 994,6	1 942,3
(+) Trade and other receivables	378,8	448,3
(+) Cash and cash equivalents	505,6	542,6
(+) Derivatives	7,6	-
= Current assets	2 886,6	2 933,2
Current debt liabilities	1 277,9	830,4
(+) Trade liabilities and other liabilities	1 439,2	1 549,0
(+) Provisions and subsidies	21,1	20,7
(+) Lease liabilities	440,1	557,2
(+) Derivatives	-	1,0
= Current liabilities	3 178,3	2 958,3
Current liquidity ratio (current assets/current liabilities)	0,9	1,0

The current liquidity ratio of the CCC Group as at 30 June 2020 was 0.9, 10.0% lower than in 2019, mainly due to the decrease in current assets (-1.6% growth) compared to current liabilities growth (+7.4%).

The balance sheet of the CCC Group as at 30.06.2020 discloses current assets of 2,886.6 million PLN. The main items are: inventories PLN 1,994.6 million, cash and cash equivalents PLN 505.6 million, receivables PLN 378.8 million. Liabilities include short-term liabilities, which amount to PLN 3,178.3 million, including: loans of PLN 1,277.9 million, trade and other liabilities of PLN 1,439.2 million and lease liabilities of PLN 440.1 million.

The excess of short-term liabilities over current assets is PLN 291.7 million.

FINANCIAL INSTRUMENTS

As at the balance sheet date, the Issuer did not use hedging instruments to secure the risks it is exposed to during business operations. A detailed description of the financial instruments used is presented in the financial statements in Note 6.1.

ISSUANCE OF SECURITIES AND USE OF PROCEEDS FROM THE ISSUE

On 17 April 2020 a resolution of the Extraordinary General Meeting of Shareholders was adopted deciding on the issuance of up to 13,700,000 shares, the share issue price was set at 37.0 PLN. The Company obtained 506.9 million PLN from the issue. The new funds will be used to strengthen the Company's working capital, including the purchase of products for the autumn-winter 2020 season. The process of concluding contracts for taking up Series I and Series J shares was completed on 7 May 2020.

FEASIBILITY OF INVESTMENT PLANS

The Group intends to finance investment projects with its own and external capital. In the opinion of the Management Board, there are no major risks that could negatively affect the implementation of investment plans in the future.

SURETIES, GUARANTEES AND OTHER CONTINGENT LIABILITIES GRANTED

In the reporting period, the CCC Group granted the following sureties and guarantees:

COMPANY	BANK	DEBTOR	TYPE OF CONTRACT	TYPE OF COLLATERAL	DURATION		VALUE OF SURETY OR GUARANTEE [MLN]	CURRENCY
					BEGINNING	END		
CCC S.A. (Surety granted jointly with CCC Shoes & Bags Sp. z o.o., CCC.eu Sp. z o.o. and CCC Factory Sp. z o.o.)	AO Citibank	CCC Russia	Credit Agreement - General Credit Agreement - 20/12/2019	surety	2019-12-20	2024-12-31	24,0	USD
CCC S.A. (Surety granted jointlywith CCC Shoes & Bags Sp. z o.o. and CCC Factory Sp. z o.o.)	Bank Handlowy	CCC.EU	Revolving Credit Agreement no. BDK/KR-O/000802038/0010/09	aval	2019-02-13	3 years from the due date of the claim	121,2	PLN
CCC S.A. (Surety granted jointlywith CCC Shoes & Bags Sp. z o.o. and CCC Factory Sp. z o.o.)	Bank Handlowy	CCC.EU	Overdraft Agreement no. BDK/KR-RB/000802038/0080/09 - Annex 13	aval	2019-02-13	3 years from the due date of the claim	121,2	PLN
CCC S.A. (Surety granted jointlywith CCC Shoes & Bags Sp. z o.o. and CCC Factory Sp. z o.o.)	Bank Handlowy	CCC.EU	Citibank Business Card Agreement	aval	2016-12-08	3 years from the due date of the claim	0,6	PLN
CCC S.A. (Surety granted jointlywith CCC Shoes & Bags Sp. z o.o. and CCC Factory Sp. z o.o.)	Bank Handlowy	CCC.EU	Factoring agreement - Framework agreement for repayment of receivables No. DWPZSF/SFR/CC	aval	2018-08-02	3 years from the due date of the claim	120,0	PLN
CCC S.A. (Surety granted jointlywith CCC Shoes & Bags Sp. z o.o. and CCC Factory Sp. z o.o.)	Bank Millennium	CCC.EU	Reverse factoring agreement no 3588 - Annex 3	aval	2019-12-12	2024-04-28	240,0	PLN
CCC S.A. (Surety granted jointly with CCC Shoes & Bags Sp. z o.o. and CCC.EU Sp. z o.o.)	Bank Millennium	CCC Factory	Reverse factoring agreement no 3915	aval	2019-12-12	2024-04-28	80,0	PLN
CCC S.A. (Surety granted jointlywith CCC Shoes & Bags Sp. z o.o. and CCC Factory Sp. z o.o.)	Bank Pekao SA	CCC.EU	Agreement No. 214/374/DDF on multi-purpose credit limit - Annex 8	surety	2020-01-17	indefinite	360,0	PLN
CCC S.A. (Surety granted jointlywith CCC Shoes & Bags Sp. z o.o. and CCC Factory Sp. z o.o.)	Bank Pekao SA	CCC.EU	Agreement No. 214/374/DDF on multi-purpose credit limit - Annex 7	surety	2019-10-31	2024-10-31	6,0	PLN
CCC S&B (Surety granted jointly with Eobuwie.pl Logistics)	Bank PKO BP	CCC SA, CCC.EU, eobuwie.pl SA, Gino Rossi SA	Credit agreement and limit for guarantees and letters of credit	surety	2019-11-21	2025-11-21	795,0	PLN

COMPANY	BANK	DEBTOR	TYPE OF CONTRACT	TYPE OF COLLATERAL	DURATION		VALUE OF SURETY OR GUARANTEE [MLN]	CURRENCY
					BEGINNING	END		
CCC.EU (Surety granted jointly with CCC Shoes & Bags Sp. z o.o.)	mBank	CCC SA	Framework agreement no. 09/141/12/Z/GL for guarantees	aval	2018-10-31	indefinite	34,0	PLN
CCC.EU (Surety granted jointly with CCC Shoes & Bags Sp. z o.o.)	N/D	CCC SA	Bonds - Programme Agreement 13/05/2014	surety for bonds	2018-06-21	2021-06-29	750,0	PLN
CCC SA	Ceska Sporitelna	CCC Czechy	Guarantee contract	surety	2013-04-18	2020-06-30	100,0	CZK
CCC SA	Raiffeisen Bank Zrt	CCC Hungary	Limit on bank guarantees	surety	2014-06-25	2021-12-31	3,0	EUR
CCC.EU (Surety granted jointly with CCC Factory Sp. z o.o.)	Societe Generale	CCC SA	Framework agreement 2018/003 for	surety	2018-01-29	2020-10-31	26,0	PLN
CCC SA	Raiffeisen Bank Zrt	CCC Hungary	Limit on bank guarantees	surety	2014-06-25	2021-12-31	3,0	EUR
CCC.EU (Surety granted jointly with CCC Factory Sp. z o.o.)	Societe Generale	CCC SA	Framework agreement 2018/003 for	surety	2018-01-29	2020-10-31	26,0	PLN

SIGNIFICANT TRANSACTIONS CONCLUDED WITH RELATED ENTITIES

Based on the Group's best knowledge, no significant transactions have been concluded between the Group and its related parties on other than market conditions. Information on transactions with related entities is presented in the consolidated financial statements in paragraph 6.5. „Transactions with related entities".

LIST OF SIGNIFICANT AGREEMENTS CONCLUDED IN THE REPORTING PERIOD

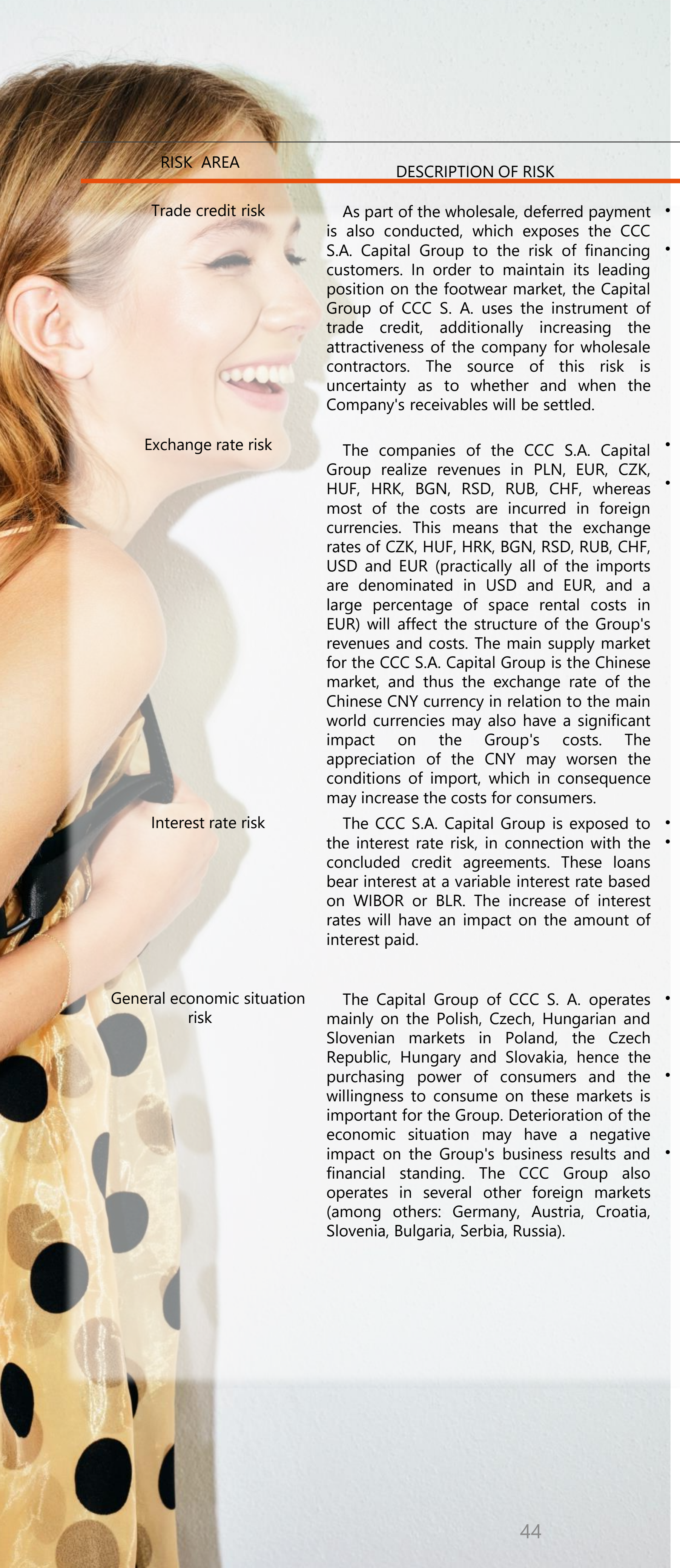
1. Resolution of the Bondholders' Meeting of April 22, 2020 on changing the terms of the bond issue.

2. Agreement on specific conditions for maintaining financing of 24 April 2020 between CCC S.A., its subsidiaries and BNP Paribas Bank Polska S.A., Bank Handlowy w Warszawie S.A. Bank Millenium S.A., Bank Polska Kasa Opieki S.A., Pekao Faktoring sp.Z o.o., mBank S.A. Powszechna Kasa Oszczędności Bank Polski S.A., Santander Bank Polska S.A. and Santander Factoring Sp. Z o.o. as creditors and Powszechna Kasa Oszczędności Bank Polski S.A. as Coordinator.

SIGNIFICANT RISK FACTORS

CCC Group identified the following risks, which are presented below, along with their description and actions taken to minimize their effects.

RISK AREA	DESCRIPTION OF RISK	ACTIONS TAKEN
Footfall in offline stores	In the event of a permanent and significant drop in the number of customers visiting offline stores as a result of circumstances related to the COVID-19 pandemic, the Group's segment of operations including offline sales may realize financial results significantly below those assumed in the Strategy.	• In connection with the COVID-19 pandemic, the Group has negotiated with almost all landlords new terms and conditions of lease agreements for offline stores addressing the issue of reduced footfall in the upcoming quarters, • ongoing monitoring of the performance of individual stores and management of the chain of stores, including closures, openings, reductions, enlargements and relocations, • successive development of digital distribution channels - online or mobile sales platform, • monitoring the activities of other entities on the market.
Making products meet customer expectations	The Group's ability to offer shoes and other products that meet current fashion trends and customers' expectations is a key factor in attracting customers' interest.	• Taking advantage of many years of experience in designing, manufacturing and selling footwear, • influencing fashion trends through promotional and marketing activities or cooperation with influencers, • Improving the processes of creating, ordering and delivering a collection to shorten the period from the design of the collection to offering it to customers.
The power and recognition of the brands under which the Group operates (primarily CCC and eobuwie.pl) and own brands of selected products (primarily Lasocki, Gino Rossi, DeeZee, Sprandi, Jenny Fairy)	Decreasing brand recognition has a negative impact on customer attention, including a decrease in the number of visits offline and online stores, and as a consequence may lead to financial results significantly below those assumed in the Strategy.	• Promotional and marketing activities aimed at strengthening individual brands, • creating an ecosystem of footwear trade with many points of contact with the customer allowing for customer loyalty, • developing modern concepts of offline stores, positively influencing the image of brands.



RISK AREA	DESCRIPTION OF RISK	ACTIONS TAKEN
Trade credit risk	As part of the wholesale, deferred payment is also conducted, which exposes the CCC S.A. Capital Group to the risk of financing customers. In order to maintain its leading position on the footwear market, the Capital Group of CCC S. A. uses the instrument of trade credit, additionally increasing the attractiveness of the company for wholesale contractors. The source of this risk is uncertainty as to whether and when the Company's receivables will be settled.	• continuous verification of the financial situation of counterparties, • continuous research regarding the history of cooperation with counterparties
Exchange rate risk	The companies of the CCC S.A. Capital Group realize revenues in PLN, EUR, CZK, HUF, HRK, BGN, RSD, RUB, CHF, whereas most of the costs are incurred in foreign currencies. This means that the exchange rates of CZK, HUF, HRK, BGN, RSD, RUB, CHF, USD and EUR (practically all of the imports are denominated in USD and EUR, and a large percentage of space rental costs in EUR) will affect the structure of the Group's revenues and costs. The main supply market for the CCC S.A. Capital Group is the Chinese market, and thus the exchange rate of the Chinese CNY currency in relation to the main world currencies may also have a significant impact on the Group's costs. The appreciation of the CNY may worsen the conditions of import, which in consequence may increase the costs for consumers.	• Continuous monitoring of changes in exchange rates significant for the Group, • introducing natural hedging strategy
Interest rate risk	The CCC S.A. Capital Group is exposed to the interest rate risk, in connection with the concluded credit agreements. These loans bear interest at a variable interest rate based on WIBOR or BLR. The increase of interest rates will have an impact on the amount of interest paid.	• Diversification of sources of capital raising, • monitoring the most important interest rates.
General economic situation risk	The Capital Group of CCC S. A. operates mainly on the Polish, Czech, Hungarian and Slovenian markets in Poland, the Czech Republic, Hungary and Slovakia, hence the purchasing power of consumers and the willingness to consume on these markets is important for the Group. Deterioration of the economic situation may have a negative impact on the Group's business results and financial standing. The CCC Group also operates in several other foreign markets (among others: Germany, Austria, Croatia, Slovenia, Bulgaria, Serbia, Russia).	• Diversification of activities in terms of the countries in which the Group operates (reducing the correlation of the economic situation between countries), • monitoring the global economic situation and in the countries relevant to the Group, as well as adjusting the Group's strategy accordingly, • Monitoring important economic indicators in selected countries (unemployment rate, GDP per capita, CPI).

RISK AREA	DESCRIPTION OF RISK	ACTIONS TAKEN
Seasonality of sales and weather conditions	Sales and stock value depend on the seasonality of demand (peak demand is in spring and autumn). Weather disruption may result in customers postponing their purchasing decisions or shortening the highest sales season.	A factor that allows to reduce the sensitivity of the CCC S. A. Capital Group to seasonal and weather conditions is own production capacity. The Group is able to quickly adjust production and deliver to the stores goods in line with expectations and current weather conditions.
Risk of a lockdown	Events in the first half of 2020 revealed the risk of administrative closure of the economy on an unprecedented scale (in Poland, EU and the world). The introduction of restrictions resulted in the suspension of operations in offline stores, which resulted in a decrease in generated revenues.	The Group has taken the following measures to mitigate the effects of risk by preparing a comprehensive plan to stabilize operations, including operational, financial and strategic dimensions. Key actions included maintaining the Group's functioning processes in the environment of widely used remote work, strengthening e-commerce logistics processes, accelerating the launch of e-commerce platforms in new markets, starting negotiations with landlords in terms of adjusting lease conditions to the circumstances of the pandemic and the expected drop in store visits after opening applying for and receiving support from available public aid programs in terms of labour costs and others. In the financial dimension, the Issuer started negotiations with bondholders, banks and financing institutions in order to maintain the stability of long-term financing and announced the issue of new shares in order to raise additional capital to support the Group's operations, in particular orders for the following seasons.

SHARES OF CCC S.A. ON THE WARSAW STOCK EXCHANGE, SHARE CAPITAL AND SHAREHOLDERS

LISTING OF SHARES ON THE WARSAW STOCK EXCHANGE

Since 2 December 2004, the shares of CCC S.A. have been listed on the main market of the Warsaw Stock Exchange in the continuous trading system and are currently included in the most important in dices: WIG, WIG20, WIG30, WIG-Poland, WIG-Div, WIG-Odzież.

VALUATION OF CCC S.A. SHARES ON THE WARSAW STOCK EXCHANGE

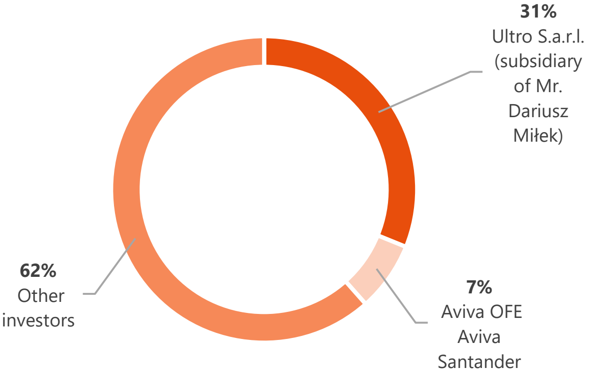
As at 30 June 2020, one CCC share was valued at PLN 59.68, which resulted in the capitalization of the CCC Group of almost PLN 3,1 billion. The highest price in the year (according to the closing price) was PLN 115.90, while the lowest was PLN 24.98. The maximum transaction price in 2020 half year was PLN 116.0 PLN, while the minimum price was PLN 24.30.

On 24 June 2020 The Ordinary General Meeting of the Company adopted a resolution on compensating the loss for 2019 in the amount of PLN 50,819,425.30 from the capital reserve.

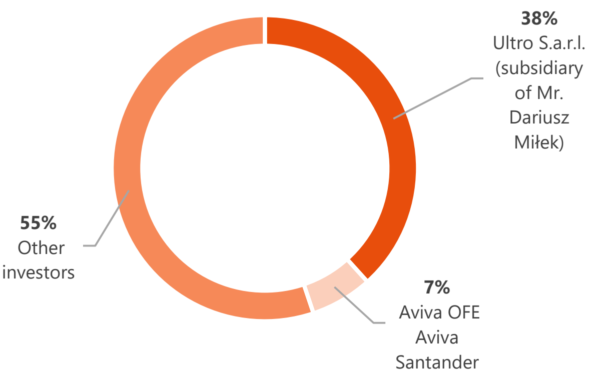
SHARE CAPITAL OF CAPITAL GROUP CCC AND SHAREHOLDING STRUCTURE

As at 30 June 2020, the share capital of CCC S.A. amounted to PLN 5,486,800.00 and was divided into 54,868,000 shares with a nominal value of PLN 0.10 each.

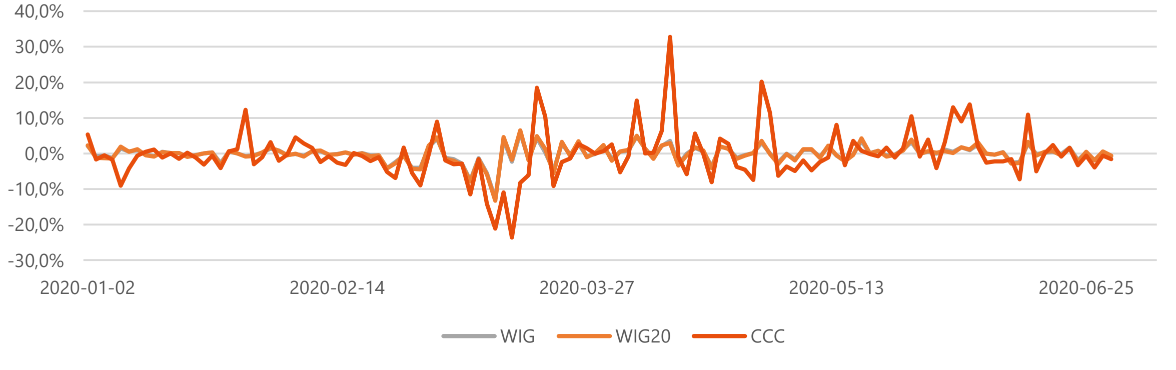
SHAREHOLDING STRUCTURE BY NUMBER OF SHARES AS AT 30 JUNE 2020



SHAREHOLDING STRUCTURE BY NUMBER OF VOTES AS AT 30 JUNE 2020



CCC S.A. SHARE PRICE IN THE REPORTING PERIOD (01.01.2020-30.06.2020)



SERIES /ISSUE	TYPE OF SHARES	TYPE OF PREFERENCE	NUMBER OF SHARES	VALUE OF SERIES / ISSUE IN NOMINAL VALUE (PLN)	MANNER OF CAPITAL COVERAGE
„A1”	registered preference shares	Preferred registered shares	6.650.000	665.000	cash contributions
„A2”	ordinary bearer shares	none	13.600.000	1.360.000	cash contributions
B	ordinary bearer shares	none	9.750.000	975.000	cash contributions
C	ordinary bearer shares	none	2.000.000	200.000	cash contributions
D	ordinary bearer shares	none	6.400.000	640.000	cash contributions
E	ordinary bearer shares	none	768.000	76.800	cash contributions
H	ordinary bearer shares	none	2.000.000	200.000	cash contributions
I	ordinary bearer shares	none	6.850.000	685.000	cash contributions
J	ordinary registered shares	none	6.850.000	685.000	cash contributions
TOTAL			**54.868.000**	**5.486.800**	

SHAREHOLDERS OF CCC S.A. HOLDING SUBSTANTIAL BLOCKS OF SHARES

According to information available by the Company, the shareholders holding at least 5% of the total number of votes at the General Meeting of CCC S.A. on 30 June 2020 were:

• ULTRO S.a r.l., a subsidiary of Mr. Dariusz Miłek, who held 17,077,465 shares of the Company, representing 31.12% of share capital of the Company and giving right to 38.32% of votes at the General Meeting of the Company

• Aviva OFE Aviva Santander, which held 4,022,697 shares in the Company, representing 7.33% of share capital of the Company and giving right to 6.54% of votes at the General Meeting of the Company.

SHAREHOLDER	NUMBER OF SHARES HELD	% SHARE IN SHARE CAPITAL	NUMBER OF VOTES AT THE GENERAL MEETING OF SHAREHOLDERS	% SHARE IN THE NUMBER OF VOTES AT THE GENERAL MEETING OF SHAREHOLDERS
Ultro S.a.r.l. (subsidiary of Mr. Dariusz Miłek)	17 077 465	31,12%	23 577 465	38,32%
Aviva OFE Aviva Santander	4 022 697	7,33%	4 022 697	6,54%
Other investors	33 767 838	61,55%	33 917 838	55,14%
TOTAL	**54 868 000**	**100,00%**	**61 518 000**	**100,00%**

SHARES OF THE PARENT COMPANY AND RELATED ENTITIES HELD BY MANAGING AND SUPERVISING PERSONS

SHAREHOLDER	NUMBER OF SHARES AT THE SUBMISSION DATE OF THE REPORT [PCS]	THE NOMINAL VALUE OF THE SHARES AT THE SUBMISSION DATE OF THE REPORT [PLN]
Supervisory Board		
Ultro S.a.r.l. (subsidiary of Mr. Dariusz Miłek)	17 077 465	1 707 747
Management Board		
President Marcin Czyczerski	5 100	510
Vice-President Mariusz Gnych	207 112	20 711
Vice-President Karol Półtorak	5 500	550

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

INCENTIVE PROGRAM FOR YEARS 2017-2019

SYSTEM OF CONTROL OF EMPLOYEES SHARES PROGRAM

On 13 April 2017, the Supervisory Board of the Issuer adopted Resolution No. 01/04/2017/RN on the positive opinion and conditional approval of the three-year Incentive Program for 2017-2019 presented by the Management Board of the Issuer, provided that the General Meeting of the Issuer has made a positive decision on the conditional increase of the Issuer's share capital and on the issue of shares and subscription warrants for the implementation of the Program. The program provides the issuance of 1,174,920 shares, which constitutes 3% of the total number of issued shares.

The valuation of the incentive program for the years 2017-2019, related to the costs of the financial result in the first half of 2019 amounted to PLN 11.2 million. Details concerning the valuation of the program and accounting recognition of its value are described in note 6.5 of the consolidated financial statement of CCC S.A. Capital Group.

The program ended in 2019. In the first half of 2020 there were no changes in the share-based payment program. Detailed information was included in the consolidated report for the year and the period ended 31 December 2019.

STATEMENTS OF THE MANAGEMENT BOARD

STATEMENT ON THE FAIRNESS OF THE FINANCIAL STATEMENTS

To the best knowledge of the Management Board of CCC S.A., the semi-annual consolidated and separated financial statements and comparative data were prepared in accordance with applicable accounting principles, they give a true and fair view of the financial position of the Group CCC and its financial results.

Management Board's Report on the operations of the Capital Group CCC presents a true picture of the development and achievements and situation of the Capital Group, including basic risks and threats.

THE STATEMENT AND INFORMATION ABOUT THE ENTITY AUTHORIZED TO AUDIT FINANCIAL STATEMENTS

The Management Board of CCC S.A. declares that the entity authorized to audit financial statements, auditing the review of the interim condensed consolidated and separate financial statements, was selected in accordance with the law. This entity and the statutory auditors who performer the audit met the conditions for issuing an impartial and independent audit opinion, in accordance with applicable regulations and professional standards..

The company CCC S.A. concluded on 28 June 2019 with Ernst & Young Audyt Polska Sp. z o.o., Sp. k. an agreement regarding the audit of the financial statements and the consolidated financial statements for the period from January 1 to December 31, 2019 and from January 1 to December 31, 2020 and from January 1 to December 31, 2021; review of the financial statements and consolidated financial statements for the period from January 1 to June 30, 2019, from January 1 to June 30, 2020, and from January 1 to June 30, 2021.

Remuneration of the auditing company is disclosed in the Financial Statements.

OTHER INFORMATION

PROCEEDINGS PENDING AT COURT, ARBITRATION AUTHORITY OR PUBLIC ADMINISTRATION BODY

Companies of the CCC S.A. Capital Group are not a party to the court proceedings, which value would exceed 10% of the Group’s equity.

INFORMATION CONSIDERED RELEVANT BY THE ISSUER FOR THE ASSESSMENT OF ITS PERSONNEL SITUATION, PROPERTY, FINANCIAL, FINANCIAL PERFORMANCE AND THEIR CHANGES AS WELL AS THE INFORMATION THAT IS RELEVANT FOR ASSESSING THE FEASIBILITY OF THE ISSUER’S OBLIGATIONS

The financial statements contain basic information that is relevant to the assessment of the Capital Group CCC S.A.. In the opinion of the Management Board, there are currently no risks to the realization of the Group’s liabilities.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE THAT MAY AFFECT THEISSUER’S FUTURE FINANCIAL RESULTS

After the balance sheet date, further annexes concerning lease agreements were signed, which are events after the end of the reporting period not requiring any adjustments.

Current report of 25.08.2020. (56/2020)

On 25 August 2020, an annex to the Agreement of 26 August 2015 was signed, obliging to sell shares of eobuwie.pl S.A., concluded between CCC S.A. and CCC Shoes Bags Sp. z o.o. and the shareholders of eobuwie.pl S.A. and with the participation of eobuwie.pl.

The subject of the annex is to adjust the principles of determining EBITDA to the changed financial year of the Company and the Company's transition to IFRS and to exclude the effects of implementation of IFRS 16.

Additionally, arrangements were introduced to organize areas:

- potential conflicts of interest,
- principles of settling the results of offline stores operated by eobuwie.pl operating under the eobuwie.pl or Modivo brand,
- principles of possible financing of eobuwie.pl by CCC S.A,
- granting the shareholders of eobuwie.pl an additional accelerated Put Option during the period of co-security by eobuwie.pl in favour of CCC S.A. a bank credit for the CCC Group granted by PKO BP on 21 November 2019 in a situation of execution from the assets of CCC S.A. in connection with such collateral,
- the possibility of selling the Shares of the 2nd Tranche to a third party in case of withdrawal by the shareholders of eobuwie.pl from the contract of sale of the Shares of the 2nd Tranche concluded in the execution of any of the Call or Put Options provided for in the Obligatory Contract, as a result of lack of cooperation within the CCC S.A. Capital Group and management of payment in full of the Option Price

The remaining terms and conditions of the agreement have not changed significantly.

Current report of 15.09.2020. (59/2020)

On 15 September 2020, the Management Board of CCC S.A. concluded Term Sheet agreements for a revolving credit facility of up to PLN 250 million with the institutions financing the CCC Group, i.e. Bank Handlowy w Warszawie S.A. Bank Millennium S.A. BNP Paribas Bank Polska S A Bank Polska Kasa Opieki S A mBank S A Powszechna Kasa Oszczędności Banki Polski S A and Santander Bank Polska S A The function of Credit and Collateral Agent will be performed by mBank S A
The credit granted by the financing institutions of the CCC Group will be made available for a period of 24 months from the date of concluding the Agreement The credit will be secured by a surety of up to PLN 200 million (80 % of the financing institutions' commitment) granted by Bank Gospodarstwa Krajowego (" The credit will also be secured by a pledge on selected assets of the parent company and the surety of the CCC Group entities.

The loan will be made available on the basis of an agreement on common terms and conditions of financing specifying common terms and conditions for bilateral loans guaranteed by BGK granted by lenders under the terms and conditions set out in the Agreement
The loan secured by guarantees from Bank Gospodarstwa Krajowego will constitute another element of stabilization of the financial situation of the CCC Group, announced earlier, in response to the negative impact of the coronavirus pandemic on the operations of the CCC S A Capital Group.

OTHER EVENTS AFTER THE BALANCE SHEET DATE

Current report of 4.08.2020. (54/2020)

The Management Board of CCC S.A hereby informs that on 4 August 2020 the Company received from Gosha Holdings S.a.r.l. based in Luxembourg and McWin s.r.o. based in Prague, Czech Republic (persons closely related to a member of the Company's Supervisory Board - Henry McGovern) notifications on transactions referred to in Article 19.1 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16th April 2014 on market abuse (Market Abuse Regulation).
The transaction referred to in the notification concerns the sale by Gosha Holdings S.a.r.l. to McWin s.r.o. on August 3, 2020, of 150,000 ordinary shares of the Issuer, at a price of PLN 55.46 per share. Thus, McWin s.r.o. informed about the transaction of purchase of the aforementioned shares.

Current report of 19.08.2020. (55/2020)

The Management Board of CCC S.A. pursuant to art. 16 of the Act of 30 August 2019 on the amendment of the Commercial Companies Code Act and certain other acts (Journal of Laws of 2019, item 1798, as amended by Journal of Laws of 2020, item 875) calls on all shareholders holding documents of the Company's shares in a material (paper) form to submit them at the Company's registered office in Polkowice, at 6 Strefowa Street, 59-101 Polkowice, on working days (Monday to Friday) from 7:00 a.m. to 2:00 p.m., by 12 February 2021, in order to dematerialize them. Submission of documents after this date, according to the Regulations of the National Deposit of Securities may result in registration of shares in the deposit of securities with a delay, i.e. after 1 March 2021.

According to the amended regulations, the documents of shares in material form issued by the Company expire by virtue of law on 1 March 2021.

After that date, the material share documents will become evidential documents only to the extent that the shareholder demonstrates to the Company that he is entitled to share rights and necessary to register in the securities depository maintained by the National Depository for Securities and to update the entries in the securities accounts.

In turn, after 1 March 2026, also the share documents will lose their evidential value in a material form, which will not be submitted to the Company and will not be registered in the deposit of securities kept by the National Deposit of Securities S.A. and recorded on the securities accounts.

This Call is the first of five required by law.

Current report of 3.09.2020. (58/2020)

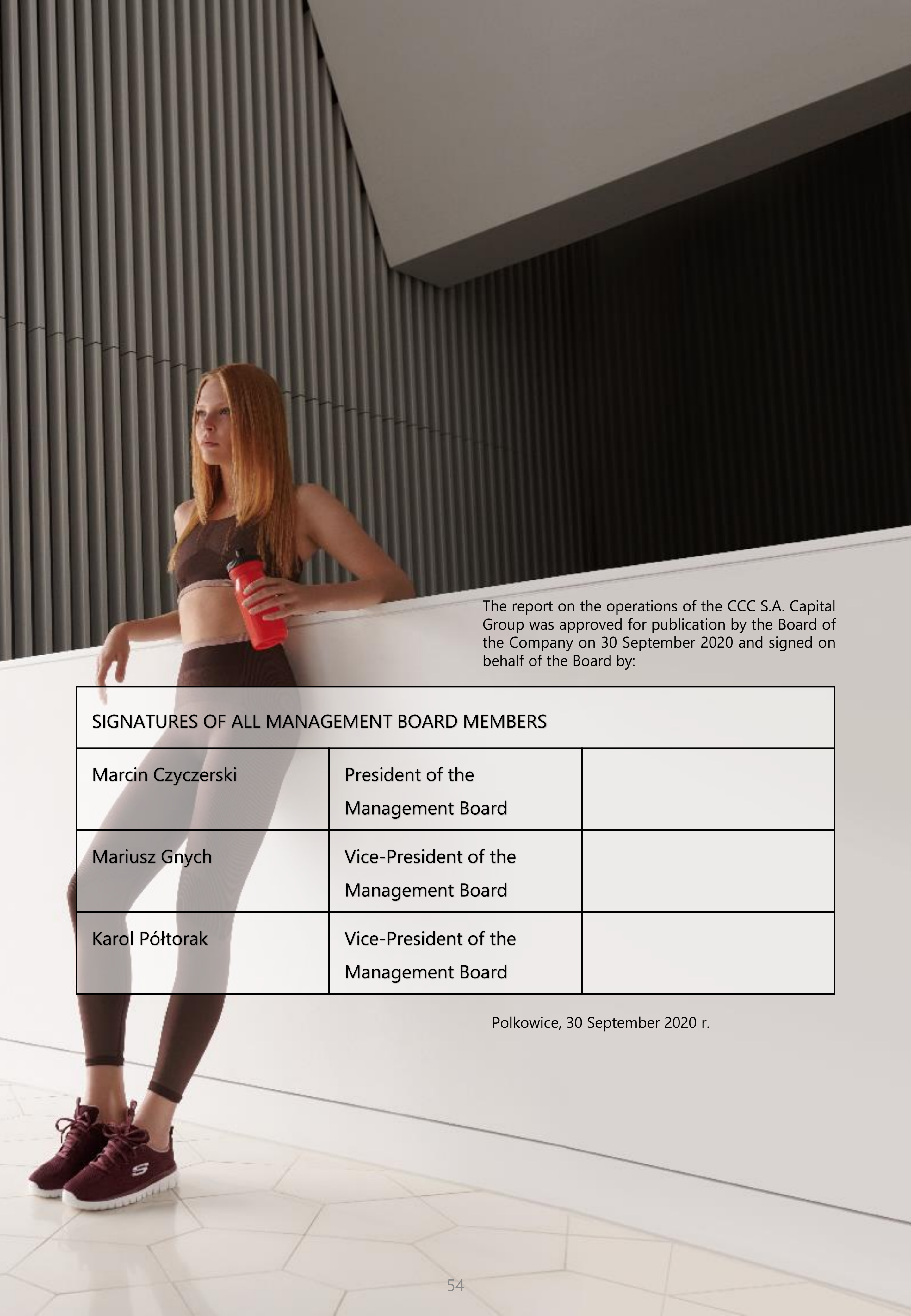
On 3 September 2020, the Management Board of CCC S.A. calls for the second time to submit documents of the Company's shares for their dematerialization.

Raport bieżący z dnia 21.09.2020 r. (60/2020)

On 21 September 2020, the Management Board of CCC S.A. calls for the third time to submit documents of the Company's shares for their dematerialization.

More information about important events after balance sheet date is available at

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



The report on the operations of the CCC S.A. Capital Group was approved for publication by the Board of the Company on 30 September 2020 and signed on behalf of the Board by:

SIGNATURES OF ALL MANAGEMENT BOARD MEMBERS		
Marcin Czyczerski	President of the Management Board	
Mariusz Gnych	Vice-President of the Management Board	
Karol Półtorak	Vice-President of the Management Board	

Polkowice, 30 September 2020 r.