

## PERFORMANCE BY SEGMENT

CCC [PLNm]	Q4 2022 (November 2022–January 2023)	Q4 2023 (November 2023–January 2024)	Δ Q4 2023– Q4'22	YOY
Revenue	1,036	1,053	17	2%
Gross profit	490	584	94	19%
<i>gross margin [%]</i>	47.3%	55.5%		8.1pp
Selling and administrative costs	-530	-466	63	-12%
<i>cost ratio [%]</i>	51.1%	44.3%		-6.8pp
Other income/expenses and impairment losses	17	21	4	26%
EBIT	-22	139	161	
<i>EBIT margin [%]</i>	-2.1%	13.2%		15.3pp
EBITDA	73	214	142	195%
<i>EBITDA margin [%]</i>	7.0%	20.3%		13.3pp
Adjusted* EBITDA	56	193	137	246%
<i>adjusted EBITDA margin [%]</i>	5.4%	18.3%		12.9pp

\* EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items).

- CCC segment's revenue up by 2% yoy, with continued retail space optimisation (-2% yoy) and consumer purchasing power still in the process of recovery.
- Gross margin up by over 8pp yoy, driven mainly by enhanced product portfolio, optimised scale and structure of promotional offers, as well as more favourable purchase terms of the new collection.
- Selling and administrative costs down by 12% despite the continued inflationary business environment, with cost reduction yoy for the sixth consecutive quarter. Positive contribution of the implemented cost reduction programme.
- Operating profit up by over PLN 160m yoy, with EBITDA margin demonstrating another consecutive quarter of sharp growth (almost threefold increase yoy).

HalfPrice [PLNm]	Q4 2022 (November 2022–January 2023)	Q4 2023 (November 2023–January 2024)	Δ Q4 2023– Q4'22	YOY
Revenue	285	438	152	53%
Gross profit	124	217	93	75%
<i>gross margin [%]</i>	43.4%	49.6%		6.2pp
Selling and administrative costs	-117	-176	-58	50%
<i>cost ratio [%]</i>	41.1%	40.1%		-1.0pp
Other income/expenses and impairment losses	1	0	-2	
EBIT	8	41	33	431%
<i>EBIT margin [%]</i>	2.7%	9.4%		6.7pp
EBITDA	33	84	51	158%
<i>EBITDA margin [%]</i>	11.4%	19.2%		7.8pp
Adjusted* EBITDA	31	84	53	169%
<i>adjusted EBITDA margin [%]</i>	11.0%	19.3%		8.3pp

The figures in the table include the results of the HalfPrice omnichannel segment

\* EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items).

- HalfPrice's revenue up by 53% supported by the consistent store chain expansion (+35% yoy) and continued increase in LFL sales.
- Sharp increase in HalfPrice's gross margin, rising more than 6pp during what is traditionally the best quarter of the year for the off-price sector. Margin expansion driven primarily by solid and constantly expanding product offerings.
- Change in selling and administrative costs linked to HalfPrice's strong development profile. Cost growth below revenue growth.
- Operating profit up more than 5 times yoy, with sharp increase in EBITDA margin both yoy (+7.8pp) and qoq (+4.9pp).

Modivo Group [PLNm]	Q4 2022 (November 2022–January 2023)	Q4 2023 (November 2023–January 2024)	Δ Q4 2023– Q4'22	YOY
Revenue*	1092	1015	-76	-7%
eobuwie.pl	775	693	-82	-11%
Modivo	317	322	6	2%
Gross profit	426	366	-59	-14%
<i>gross margin [%]</i>	39.0%	36.1%		-2.9pp
Selling and administrative costs	-461	-454	7	-1%
<i>cost ratio [%]</i>	42.2%	44.8%		2.5pp
Other income/expenses and impairment losses	1	5	4	343%
EBIT	-34	-83	-49	
<i>EBIT margin [%]</i>	-3.1%	-8.2%		-5.1pp
EBITDA	-12	-54	-42	
<i>EBITDA margin [%]</i>	-1.1%	-5.3%		-4.2pp
Adjusted** EBITDA	-13	-59	-46	
<i>adjusted EBITDA margin [%]</i>	-1.2%	-5.8%		-4.6pp

\* Revenue net of transactions completed with the CCC Group. The value of intragroup transactions in the period under review was PLN 60.2m (PLN 16.6m in the comparative period).

\*\* EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items).

- Modivo Group's revenue down by 7% yoy (eobuwie down by 11%, Modivo up by 2%). E-commerce sales under pressure from the challenging competitive environment, the consumer purchasing power still in the process of recovery, and a focus on working capital optimisation.
- Growing prominence of the Modivo business line in the Modivo Group (contribution to revenue up by 3pp yoy, to 32%), supported by the rollout of marketplace (the share of marketplace in Modivo.pl's orders in January 2024 at 27%).
- Gross margin down by about 3pp yoy, reflecting the optimisation of inventory levels and inventory structure being in its final stages. Modivo Group successfully implemented a plan to reduce inventory below PLN 1bn (by PLN 302m yoy) and improve its age structure (with the share of current collections in inventory up by 17pp yoy).
- Selling and administrative costs down by 1% despite a rise in minimum wages and higher unit cost of performance marketing, supporting inventory optimisation. Decrease in fixed e-commerce costs by 25% driven by the successful implementation of a cost savings programme – a stringent recruitment policy, organisational structure optimisation, and reduction in expenditures related to raw materials and energy.

## CCC GROUP'S FINANCIAL RESULTS

CCC Group [PLNm]	Q4 2022 (November 2022–January 2023)	Q4 2023 (November 2023–January 2024)	Δ Q4 2023– Q4'22	YOY
Revenue	2442	2527	86	4%
Gross profit	1050	1181	130	12%
<i>gross margin [%]</i>	43.0%	46.7%		3.7pp
Selling and administrative costs	-1121	-1110	11	-1%
<i>cost ratio [%]</i>	45.9%	43.9%		-2.0pp
Other income/expenses and impairment losses	21	26	5	23%
EBIT	-50	96	147	
<i>EBIT margin [%]</i>	-2.0%	3.8%		5.9pp
EBITDA	92	243	151	164%
<i>EBITDA margin [%]</i>	3.8%	9.6%		5.8pp
Adjusted* EBITDA	71	217	146	207%
<i>adjusted EBITDA margin [%]</i>	2.9%	8.6%		5.7pp

\* EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items).

- Group's revenue up by 4% yoy, with the consumer purchasing power still in the process of recovery.
- Group's gross margin up by nearly 4pp, driven by sharp growth in CCC's and HalfPrice's margins (by 8pp and 6pp, respectively).
- Selling and administrative costs slightly down yoy, with 10% expansion in retail space. Tight cost discipline within each business line.
- Group's operating profit up by nearly PLN 150m yoy, with EBITDA margin up by about 6pp.

## GROWTH OF CCC GROUP'S OFFLINE SALES CHANNELS

	31 Jan 2023	31 Jan 2024	Δ 31 January 2024–31 January 2023	YOY
Area [m <sup>2</sup> ], including:	710,350	780,592	70,242	10%
CCC	530,281	517,805	-12,476	-2%
eobuwie	27,967	36,527	8,560	31%
HalfPrice	152,102	226,261	74,159	49%
Number of stores, including:	948	974	26	3%
CCC	819	799	-20	-2%
eobuwie	38	52	14	37%
HalfPrice	91	123	32	35%

- Reduction of CCC's retail space by 2% yoy – continued efforts to optimise the chain's profitability.
- Implementing the plan to expand eobuwie hybrid stores and eobuwie zones in CCC stores – expanding access to Reserve & Collect service and efficient returns management.
- Continued expansion of HalfPrice – 2 new stores in Q4 2023.

## SELECTED ITEMS OF THE STATEMENT OF FINANCIAL POSITION

Modivo Group [PLNm]	31 Oct 2023	31 Jan 2024	Δ 31 January 2024–31 October 2023	QOQ
Gross debt*	1,066	1,058	-8	-1%
(-) Cash	144	112	-32	-22%
(-) Convertible bonds issued to Softbank	734	773	38	5%
Net financial debt	188	174	-14	-7%
Reverse factoring	320	234	-86	-27%

\* Excluding reverse factoring (reverse factoring included in the definition of a bank covenant applicable to Modivo S.A.).

- Predominant share in Modivo Group's debt of Modivo S.A. convertible bonds issued for Softbank. Qoq change in Modivo Group's debt due mainly to bond interest capitalisation.
- Modivo Group's net financial debt excluding the convertible bonds at PLN 174m.

CCC Group excluding MODIVO Group [PLNm]	31 Oct 2023	31 Jan 2024	Δ 31 January 2024–31 October 2023	QOQ
Gross debt	1113	1076	-37	-3%
(-) Cash	426	164	-263	-62%
Net debt	686	912	226	33%
(-) Bonds issued to PFR*	351	345	-6	-2%
(+/-) other adjustments **	-1	-10	-9	
Net financial debt	334	557	223	67%
(+) Reverse factoring	219	235	16	7%
(+) Bank guarantees	132	119	-13	-10%
Net exposure	685	910	226	33%

\* Debt under bonds issued to PFR is not included in covenants; in the financial statements, its amount is included in liabilities under borrowings and bonds and in other financial liabilities.

\*\* For the purpose of calculating the net exposure covenant – adjustments for measurement of derivatives and SCN.

- Fifth consecutive quarter of consistent deleveraging of the CCC Group (excluding Modivo Group). Gross debt down by approximately 35% yoy (by PLN 590m).
- Continued implementation of cost savings and working capital optimisation programmes in the CCC segment in 2023 helped reduce gross debt to PLN 1,076m.
- Credit limits reduced by a total of PLN 160m in Q4, marking the final stage of the CCC Group's deleveraging process planned for 2023.

Inventories * [PLNm]	31 Jan 2023	31 Jan 2024	Δ 31 January 2024-31 January 2024	YOY
CCC	1045	1191	147	14%
HalfPrice	328	632	304	93%
Modivo Group	1298	996	-302	-23%

\* Includes goods in transit, purchased on FOB basis (goods in sea transit).

- Inventories in CCC segment up by 14% yoy, adequately matched to target sales. Inventory cycle at about 224 days, having improved by 39 days yoy. Inventory growth qoq due to seasonality and stocking-up for the new SS24 season.
- HalfPrice's inventory increase (+93% yoy) due to expansion of the chain. In qoq terms, HalfPrice's inventories slightly down. Expanded product range and improved inventory at HalfPrice as key drivers of LFL sales growth.
- Modivo Group's inventories down by 23% yoy (PLN 302m) due to successful implementation of the working capital optimisation programme. As planned, Modivo Group's year-end inventories brought down to less than PLN 1bn. Inventory age structure also improved significantly, with markedly higher yoy component of current collections.