CCC

INTERIM CONDENSED CONSOLIDATED REPORT OF THE CCC GROUP FOR

THE SIX MONTHS

from February 1st 2022
to July 31st 2022

SELECTED FINANCIAL AND OPERATING DATA OF THE CCC GROUP

	PLNm		EURm	
Selected financial data from the interim condensed consolidated statement of comprehensive income	February 1st–July 31st 2022	February 1st–July 31st 2021	February 1st–July 31st 2022	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed, restated*	unaudited, reviewed	unaudited, reviewed, restated*
Revenue	**4,259.4**	**3,453.5**	**912.8**	**756.8**
CCC	1,932.6	1,649.4	414.2	361.4
eobuwie	1,542.6	1,373.7	330.6	301.0
Modivo	349.4	191.6	74.9	42.0
HalfPrice	300.3	40.2	64.4	8.8
DeeZee	53.9	55.1	11.6	12.1
Other	67.8	67.5	14.5	14.8
Not allocated to segments/discontinued operations	12.8	76.0	2.7	16.7
Gross profit (loss)	**2,052.2**	**1,569.5**	**439.8**	**343.9**
Gross margin	48.18%	45.45%	48.18%	45.45%
Segment profit or loss:				
CCC	140.0	87.4	30.0	19.2
eobuwie	127.6	24.7	27.3	5.4
Modivo	15.0	3.7	3.2	0.8
HalfPrice	-12.4	–	-2.7	–
DeeZee	5.4	2.3	1.2	0.5
Other	-11.5	17.1	-2.5	3.7
Operating profit (loss)	**-25.2**	**31.3**	**-5.4**	**6.9**
Profit (loss) before tax	-211.8	-87.7	-45.4	-19.5
NET PROFIT (LOSS) FROM CONTINUING OPERATIONS	**-214.2**	**-92.4**	**-45.9**	**-20.2**
NET PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	**-42.5**	**27.6**	**-9.1**	**6.0**
NET PROFIT/(LOSS)	**-256.7**	**-64.8**	**-55.0**	**-14.2**

* Due to the presentation of discontinued operations in the current-period data and change of cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

	PLNm		EURm	
Selected financial data from the interim condensed consolidated statement of financial position	July 31st 2022	January 31st 2022	July 31st 2022	January 31st 2022
	unaudited, reviewed	audited	unaudited, reviewed	audited
Non-current assets	**3,439.0**	**3,393.8**	**725.5**	**738.1**
Current assets, including:	**4,145.5**	**4,106.9**	**874.6**	**893.2**
Inventories	2,950.7	2,625.8	622.5	571.0
Cash	710.1	941.1	149.8	204.7
Total assets	**7,584.5**	**7,500.7**	**1,600.1**	**1,631.2**
Non-current liabilities, including:	**2,648.7**	**3,410.2**	**558.8**	**741.6**
Bank borrowings and bonds	1,230.5	1,914.6	259.6	416.4
Lease liabilities	1,275.6	1,303.9	269.1	283.6
Current liabilities, including:	**4,005.1**	**2,938.9**	**845.0**	**639.1**
Bank borrowings and bonds	1,335.1	545.0	281.7	118.5
Trade and other payables	1,642.4	1,480.1	346.5	321.9
Total liabilities	**6,653.8**	**6,349.1**	**1,403.8**	**1,380.8**
Equity	**930.7**	**1,151.6**	**196.4**	**250.4**

	PLNm		EURm	
Selected financial data from the interim condensed consolidated statement of cash flows	February 1st–July 31st 2022	February 1st–July 31st 2021	February 1st–July 31st 2022	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed, restated*	unaudited, reviewed	unaudited, reviewed, restated*
Net cash flows from operating activities	205.7	-56.3	44.1	-12.6
Net cash flows from investing activities	-199.0	-66.4	-42.6	-14.8
Net cash flows from financing activities	-237.7	456.2	-50.9	101.7
Total cash flows	**-231.0**	**333.5**	**-49.5**	**74.4**
Capital expenditure	-246.0	-129.3	-52.7	-28.8

Operating data	**July 31st 2022**	**January 31st 2022**
	unaudited, reviewed	audited
Number of stores (continuing operations)	960	941
Retail space (thousand m^2) (continuing operations)	709.3	668.6
Number of markets with digital sales	19	19

Selected data from the interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of financial position and interim condensed consolidated statement of cash flows were translated into the euro using the method specified below:

1) Items of assets, equity and liabilities in the interim condensed consolidated statement of financial position were translated at the exchange rate effective on the last day of the reporting period:

   - the exchange rate as at July 31st 2022 was EUR 1 = PLN 4.7399
   - the exchange rate as at January 31st 2022 was EUR 1 = PLN 4.5982

2) particular items of the interim condensed consolidated statement of comprehensive income and the interim condensed consolidated statement of cash flows were translated at exchange rates representing the arithmetic mean of the exchange rates quoted by the National Bank of Poland for the euro in effect on the last day of each month in a given reporting period:

   - in the period February 1st–July 31st 2022, the average exchange rate was EUR 1 = PLN 4.6663
   - in the period February 1st–July 31st 2021, the average exchange rate was EUR 1 = PLN 4.4846

The amounts were translated at the exchange rates specified above by dividing amounts expressed in millions of the zloty by the exchange rate.

Contents

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS

from February 1st 2022
to July 31st 2022

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOTE		February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
		unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed, restated*	unaudited, unreviewed, restated*
	CONTINUING OPERATIONS				
3.1.	Revenue	4,259.4	2,377.4	3,453.5	2,033.4
3.2.	Cost of sales	-2,207.2	-1,248.0	-1,884.0	-1,074.3
	Gross profit	**2,052.2**	**1,129.4**	**1,569.5**	**959.1**
3.2.	Costs of points of purchase and distribution	-1,789.4	-935.4	-1,396.9	-756.3
3.2.	Administrative expenses	-185.7	-92.1	-193.2	-122.0
3.3.	Other income	27.1	18.4	25.6	6.1
3.3.	Other expenses	-98.6	-58.6	-20.4	-1.3
	(Recognition) / Reversal of loss allowances (trade receivables)	-30.8	-30.4	-7.8	-7.8
	Operating profit (loss)	**-25.2**	**31.3**	**-23.2**	**77.8**
3.3.	Finance income	18.6	17.9	8.9	2.1
	(Recognition) / Reversal of loss allowances (loans)	–	–	-9.8	-4.6
3.3.	Finance costs	-205.2	-106.5	-63.7	-31.4
	Share of profit (loss) of associates	–	–	0.1	-1.5
	Profit (loss) before tax	**-211.8**	**-57.3**	**-87.7**	**42.4**
3.4.	Income tax	-2.4	3.2	-4.7	-1.7
	NET PROFIT (LOSS) FROM CONTINUING OPERATIONS	**-214.2**	**-54.1**	**-92.4**	**40.7**
	DISCONTINUED OPERATIONS				
6.3.	**NET PROFIT (LOSS) FROM DISCONTINUED OPERATIONS**	**-42.5**	**2.7**	**27.6**	**68.5**
	NET PROFIT (LOSS)	**-256.7**	**-51.4**	**-64.8**	**109.2**
	Attributable to owners of the parent	-252.9	-44.3	-86.7	99.2
	Attributable to non-controlling interests	-3.8	-7.1	21.9	10.0
	Other comprehensive income from continuing operations	**6.3**	**4.9**	**3.4**	**4.5**
	Items that may be reclassified to profit or loss:				
	Exchange differences on translating foreign operations	6.2	4.8	3.4	4.5
	Items that may not be reclassified to profit or loss:				
	Actuarial gains (losses) on employee benefits	0.1	0.1	–	–
	Other comprehensive income from discontinued operations	**-3.2**	**-7.8**	**-6.3**	**-14.3**
	Items that may be reclassified to profit or loss:				
	Exchange differences on translating foreign operations	–	-4.6	-4.4	-4.4
	Reclassification of exchange differences on translation of a foreign operation over which control has been lost to profit or loss	-3.2	-3.2	-1.9	-9.9
	Total other comprehensive income, net	**3.1**	**-2.9**	**-2.9**	**-9.8**
	TOTAL COMPREHENSIVE INCOME	**-253.6**	**-54.3**	**-67.7**	**99.4**
	Comprehensive income attributable to owners of the parent from:	-250.1	-46.8	-88.9	90.1
	- continuing operations	-204.4	-41.7	-110.2	35.9
	- discontinued operations	-45.7	-5.1	21.3	54.2

	Non-controlling interests	-3.5	-7.5	21.2	9.3
	Weighted average number of ordinary shares (million)	**54.9**	**54.9**	**54.9**	**54.9**
	Basic earnings (loss) per share from profit (loss) for period, attributable to owners of the parent (PLN)	**-4.61**	**-0.81**	**-1.58**	**1.81**
	Basic earnings (loss) per share from profit (loss) from continuing operations for period, attributable to owners of the parent (PLN)	**-3.84**	**-0.87**	**-2.08**	**0.56**
	Basic earnings (loss) per share from profit (loss) from discontinued operations for period, attributable to owners of the parent (PLN)	**-0.77**	**0.05**	**0.50**	**1.25**
	Diluted earnings (loss) per share from profit (loss) for period, attributable to owners of the parent (PLN)	**-4.61**	**-0.81**	**-1.58**	**1.81**
	Diluted earnings (loss) per share from profit (loss) from continuing operations for period, attributable to owners of the parent (PLN)	**-3.84**	**-0.87**	**-2.08**	**0.56**
	Diluted earnings (loss) per share from profit (loss) from discontinued operations for period, attributable to owners of the parent (PLN)	**-0.77**	**0.05**	**0.50**	**1.25**

* Due to the presentation of discontinued operations in the current-period data and change of cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		July 31st 2022	January 31st 2022
		unaudited, reviewed	audited
	Intangible assets	345.7	317.9
	Goodwill	204.1	197.9
5.1.	Property, plant and equipment – leasehold improvements	639.2	573.6
5.1.	Property, plant and equipment – distribution	644.6	623.6
5.1.	Property, plant and equipment – other	89.5	91.5
5.2.	Right-of-use assets	1,317.6	1,388.9
3.4.	Deferred tax assets	179.8	175.5
	Loans	–	–
6.1.	Other financial assets	11.2	11.2
6.1.	Derivative financial instruments	–	5.5
	Lease receivables	0.1	0.2
6.2.	Investments in associates	0.9	0.9
	Investment property	6.1	6.1
	Long-term receivables	0.2	1.0
	Non-current assets	**3,439.0**	**3,393.8**
5.3.	Inventories	2,950.7	2,625.8
	Trade receivables	165.8	226.1
3.4.	Income tax receivable	39.7	17.2
	Loans	–	–
	Other receivables	278.4	293.4
	Cash and cash equivalents	710.1	941.1
6.1.	Derivative financial instruments	0.5	3.1
	Lease receivables	0.3	0.2
	Current assets	**4,145.5**	**4,106.9**
	TOTAL ASSETS	**7,584.5**	**7,500.7**
4.2.	Bank borrowings and bonds	1,230.5	1,914.6
3.4.	Deferred tax liabilities	40.3	38.9
	Other non-current liabilities	4.8	23.4
	Provisions	13.3	14.4
	Grants received	15.3	15.7
5.2.	Lease liabilities	1,275.6	1,303.9
6.1.	Liabilities arising from obligation to purchase non-controlling interests	60.1	64.8
6.1.	Other non-current financial liabilities	8.8	34.5
	Non-current liabilities	**2,648.7**	**3,410.2**
4.2.	Bank borrowings and bonds	1,335.1	545.0
	Trade and other payables	1,642.4	1,480.1
	Other liabilities	512.2	375.9
3.4.	Income tax liabilities	0.3	28.2
	Provisions	16.3	17.4
	Grants received	0.6	0.6
5.2.	Lease liabilities	471.4	491.6
6.1.	Liabilities arising from obligation to purchase non-controlling interests	–	0.1
6.1.	Other current financial liabilities	26.8	–
	Current liabilities	**4,005.1**	**2,938.9**
	TOTAL LIABILITIES	**6,653.8**	**6,349.1**
	NET ASSETS	**930.7**	**1,151.6**

(all amounts in PLN million unless stated otherwise)

	Equity		
4.1.	Share capital	5.5	5.5
	Share premium	1,148.0	1,148.0
	Exchange differences on translating foreign operations	19.6	16.9
	Actuarial valuation of employee benefits	0.1	0.5
	Valuation of incentive scheme	1.6	0.6
	Retained earnings	-424.1	-186.3
	Equity attributable to owners of the parent	**750.7**	**985.2**
	Non-controlling interests	180.0	166.4
	TOTAL EQUITY	**930.7**	**1,151.6**
	TOTAL EQUITY AND LIABILITIES	**7,584.5**	**7,500.7**

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

NOTE		February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
		unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed, restated*	unaudited, unreviewed, restated*
	Profit (loss) before tax	**-250.0**	**-54.2**	**-63.6**	**107.1**
	Profit (loss) before tax from continuing operations	**-211.8**	**-57.3**	**-87.7**	**42.4**
	Profit (loss) before tax from discontinued operations	**-38.2**	**3.1**	**24.1**	**64.7**
3.2.	Depreciation	295.8	147.8	287.8	151.3
3.2.	Impairment losses on property, plant and equipment, right-of-use assets, intangible assets and remeasurement to fair value of disposal group	48.6	10.0	1.9	-34.1
	(Gain) loss on investing activities	-23.9	-26.7	-20.6	-24.1
	Share of profit (loss) of associates	–	–	-0.1	1.5
4.2.	Borrowing costs	148.3	99.1	45.4	22.4
4.4.	Other adjustments to profit before tax	10.3	-58.8	-10.2	-15.0
	Income tax paid	-59.9	-39.2	-69.8	-64.3
	Cash flow before changes in working capital	**169.2**	**78.0**	**170.8**	**144.8**
	Changes in working capital				
	Change in inventories and inventory write-downs	-353.2	-201.8	-264.3	-12.2
4.4.	Change in receivables and impairment losses on receivables	69.3	187.2	-51.5	-16.9
4.4.	Change in current liabilities, net of borrowings	320.4	277.4	88.7	-130.6
	Net cash flows from operating activities	**205.7**	**340.8**	**-56.3**	**-14.9**
	Proceeds from sale of property, plant and equipment	5.6	5.3	1.0	-2.8
	Proceeds from settlement of leasehold improvements with landlords	44.4	23.6	10.4	7.7
5.1.	Purchase of intangible assets and property, plant and equipment	-246.0	-169.5	-129.3	-87.1
	Effect of sale of NG2 s.a.r.l. and Karl Voegele AG	–	–	51.5	51.5
	Other investing expenditure	-3.0	-3.0	–	–
	Net cash flows from investing activities	**-199.0**	**-143.6**	**-66.4**	**-30.7**
4.2.	Proceeds from borrowings	67.4	67.4	919.8	848.6
	Dividends and other distributions to non-controlling interests	–	–	-10.2	0.3
4.2.	Repayment of borrowings	-28.3	38.0	-878.9	-840.5
	Lease payments	-217.2	-61.7	-172.7	-88.3
4.2.	Interest paid	-83.6	-54.5	-41.8	-26.7
	Other cash provided by financing activities	24.0	24.0	–	–
	Acquisition of eobuwie.pl shares from MKK3	–	–	-360.0	-360.0
	Advance payment from A&R Investments Limited and payment from Cyfrowy Polsat for the sale of eobuwie.pl shares	–	–	1,000.0	1,000.0
	Net cash flows from financing activities	**-237.7**	**13.2**	**456.2**	**533.4**
	TOTAL CASH FLOWS	**-231.0**	**210.4**	**333.5**	**487.8**
	Net increase/decrease in cash and cash equivalents	-231.0	210.4	333.5	487.7
	Change due to allocation of cash to discontinued operations	–	5.9	–	–
	Cash and cash equivalents at beginning of period	**941.1**	**493.8**	**458.7**	**304.5**
	Cash and cash equivalents at end of period	**710.1**	**710.1**	**792.2**	**792.3**

* Due to the presentation of discontinued operations in the current-period data and change of cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

unaudited, reviewed	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TRANSLATION RESERVE	ACTUARIAL VALUATION OF EMPLOYEE BENEFITS	VALUATION OF INCENTIVE SCHEME	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	ATTRIBUTABLE TO OWNERS OF THE PARENT							
As at February 1st 2022	**5.5**	**1,148.0**	**-186.3**	**16.9**	**0.5**	**0.6**	**166.4**	**1,151.6**
Net profit (loss) for period	–	–	-256.7	–	–	–	–	-256.7
Net profit (loss) allocated to non-controlling interests	–	–	3.8	–	–	–	-3.8	–
Actuarial valuation of employee benefits	–	–	–	–	0.1	–	–	0.1
Exchange differences on translation	–	–	–	5.9	–	–	0.3	6.2
Reclassification of exchange differences on translation of a foreign operation over which control has been lost to profit or loss	–	–	–	-3.2	–	–	–	-3.2
Total comprehensive income	**–**	**–**	**-252.9**	**2.7**	**0.1**	**–**	**-3.5**	**-253.6**
Measurement of employee option plan	–	–	–	–	–	-0.6	9.3	8.7
Acquisition of shares in subsidiary MODIVO S.A. in the performance of an investment commitment undertaken with Damian Zapłata, CEO of MODIVO S.A.	–	–	16.2	–	–	–	7.8	24.0
Other changes	–	–	-1.1	–	-0.5	1.6	–	–
Total transactions with owners	**–**	**–**	**15.1**	**–**	**-0.5**	**1.0**	**17.1**	**32.7**
As at July 31st 2022	**5.5**	**1,148.0**	**-424.1**	**19.6**	**0.1**	**1.6**	**180.0**	**930.7**

(all amounts in PLN million unless stated otherwise)

unaudited, reviewed	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TRANSLATION RESERVE	ACTUARIAL VALUATION OF EMPLOYEE BENEFITS	VALUATION OF INCENTIVE SCHEME	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	ATTRIBUTABLE TO OWNERS OF THE PARENT							
As at February 1st 2021	**5.5**	**1,148.0**	**-969.1**	**10.1**	**-12.8**	**–**	**128.1**	**309.8**
Net profit (loss) for period	–	–	-64.8	–	–	–	–	-64.8
Profit (loss) attributable to non-controlling interests	–	–	-21.9	–	–	–	21.9	–
Reclassification of exchange differences on translation of a foreign operation over which control has been lost to profit or loss	–	–	–	-1.9	–	–	–	-1.9
Exchange differences on translation	–	–	–	-0.3	–	–	-0.7	-1.0
Total comprehensive income	**–**	**–**	**-86.7**	**-2.2**	**–**	**–**	**21.2**	**-67.7**
Dividend approved	–	–	–	–	–	–	-10.2	-10.2
Coverage of loss	–	-657.7	657.7	–	–	–	–	–
Transfer of employee benefits actuarial measurement relating to a subsidiary over which control has been lost to retained earnings	–	–	-12.7	–	12.7	–	–	–
Extinguishment of liability under option to purchase Modivo S.A. shares (obligation to purchase minority interests in Modivo S.A.)	–	–	749.0	–	–	–	–	749.0
Recognition of option to purchase Modivo S.A. shares (20.0%) from MKK3 − recognition of liability under option to purchase shares in subsidiaries	–	–	-711.6	–	–	–	–	-711.6
Transactions involving 10% of Modivo S.A. shares	–	–	500.0	–	–	–	–	500.0
Total transactions with owners	**–**	**-657.7**	**1,182.4**	**–**	**12.7**	**–**	**-10.2**	**527.2**
As at July 31st 2021	**5.5**	**490.3**	**126.6**	**7.9**	**-0.1**	**–**	**139.1**	**769.3**

(all amounts in PLN million unless stated otherwise)

1. GENERAL INFORMATION

Company name:	**CCC Spółka Akcyjna**	
Registered office:	**ul. Strefowa 6, 59-101 Polkowice, Poland**	
Registry court:	**District Court for Wrocław-Fabryczna in Wrocław, 9th Commercial Division of the National Court Register**	
Entry in the National Court Register (KRS) No:	**0000211692**	
Principal business:	**The Company's principal business activity according to the European Classification of Business Activities is wholesale and retail trade in clothing and footwear (EKD 5142).**	
Management Board:	**President:**	**Marcin Czyczerski**
	Vice President:	**Karol Półtorak**
	Vice President:	**Adam Holewa**
	Vice President:	**Igor Matus**
	Vice President:	**Kryspin Derejczyk**

CCC S.A. (the "Company", the "Parent"), the parent of the CCC Group, has been listed on the Warsaw Stock Exchange since 2004.

As at July 31st 2022, the CCC Group (the "CCC Group", the "Group") comprised the Parent CCC S.A. of Poland, registered at ul. Strefowa 6 in Polkowice, and its subsidiaries.

On September 29th 2022, Adam Marciniak resigned as Vice President of the Company's Management Board, with effect from September 29th 2022.

These interim condensed consolidated financial statements of CCC cover the six months ended July 31st 2022 and contain comparative data for the six months ended July 31st 2021 and as at January 31st 2022. The interim condensed consolidated statement of comprehensive income and notes to the statement of comprehensive income contain data for the three months ended July 31st 2022 and comparative data for the three months ended July 31st 2021, which has not been audited or reviewed by an auditor.

These interim condensed consolidated financial statements of the CCC Group for the six months ended July 31st 2022 were authorised for issue by the Management Board on October 25th 2022.

(all amounts in PLN million unless stated otherwise)

STRUCTURE OF THE GROUP

The Group consists of CCC S.A. (the Parent) and its subsidiaries. In the six months ended July 31st 2022, there were changes in the composition of the Group relative to January 31st 2022, as discussed in more detail below.
The structure of the CCC Group as at the reporting date is presented below.

SUBSIDIARIES	REGISTERED OFFICE/COUNTRY	PRINCIPAL BUSINESS	EQUITY INTEREST AS AT JULY 31ST 2022	EQUITY INTEREST AS AT JANUARY 31ST 2022
CCC Factory Sp. z o.o.	Polkowice, Poland	logistics	100%	100%
CCC Czech s.r.o.	Prague, Czech Republic	trade	100%	100%
CCC Slovakia s.r.o.	Bratislava, Slovakia	trade	100%	100%
CCC Hungary Shoes Kft.	Budapest, Hungary	trade	100%	100%
CCC Austria Ges.m.b.H	Graz, Austria	trade	100%	100%
CCC Obutev d.o.o.	Maribor, Slovenia	trade	100%	100%
CCC Hrvatska d.o.o.	Zagreb, Croatia	trade	100%	100%
CCC Shoes Ayakkabycylyk Limited Sirketi	Istanbul, Turkey	trade	100%	100%
C-AirOP Ltd. [5]	Douglas, Isle of Man	services	50%	50%
CCC.eu sp. z o.o. [1]	Polkowice, Poland	procurement and sale	100%	100%
CCC Shoes & Bags Sp. z o.o.	Polkowice, Poland	investments	100%	100%
CCC Shoes Bulgaria EOOD	Sofia, Bulgaria	trade	100%	100%
MODIVO S.A. [2]	Zielona Góra, Poland	trade	75%	75%
Modivo S.R.L. [9]	Alme, Italy	services	75%	n/a
eobuwie.pl Logistics Sp. z o.o.	Zielona Góra, Poland	logistics	75%	75%
eschuhe.de GmbH	Frankfurt am Oder, Germany	trade	75%	75%
Branded Shoes and Bags sp. z o.o.	Zielona Góra, Poland	services	75%	75%
eschuhe.CH GmbH	Zug, Switzerland	trade	75%	75%
eobuv.cz s.r.o.	Prague, Czech Republic	trade	75%	75%
epantofi modivo s.r.l.	Bucharest, Romania	logistics	75%	75%
CCC Shoes & Bags d.o.o. Beograde	Belgrade, Serbia	trade	100%	100%
OBUV OOO (formerly CCC Russia OOO) [7]	Moscow, Russia	trade	0%	100%
Shoe Express S.A. [4]	Bucharest, Romania	trade	100%	100%
DeeZee Sp. z o.o. [3]	Kraków, Poland	trade	75%	75%
Gino Rossi S.A.	Słupsk, Poland	trade	100%	100%
HalfPrice Sp. z o.o. [6]	Polkowice, Poland	trade	100%	100%
OFP Austria GmbH [8]	Graz, Austria	trade	100%	100%
OU CCC Estonia [10]	Tallinn, Estonia	trade	100%	0%
UAB CCC Lithuania [11]	Vilnius, Lithuania	trade	100%	0%
SIA CCC Shoes Latvia [12]	Riga, Latvia	trade	100%	0%

ASSOCIATES	REGISTERED OFFICE/COUNTRY	PRINCIPAL BUSINESS	EQUITY INTEREST AS AT JULY 31ST 2022	EQUITY INTEREST AS AT July 31ST 2021
HR Group Holding s.a.r.l.	Luxembourg	trade	30.55%	30.55%
Pronos Sp. z o.o.	Wrocław, Poland	services	10.00%	10.00%

[1] CCC.eu sp. z o.o. is a subsidiary of CCC Shoes & Bags sp. z o.o. (99.75%) and CCC S.A. (0.25%).
[2] Modivo S.A. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (74.69%). The current reporting period saw the fulfilment of an investment commitment as a result of which MODIVO S.A. and the partnership limited by shares whose sole general partner is Damian Zapłata, President of the MODIVO S.A. Management Board, executed an agreement to subscribe for 38,000 new Series I shares with a par value of PLN 0.20 per share, at an issue price of PLN 600 per Series I share, that is in exchange for a cash contribution of PLN 22.8m. At the same time, the other non-controlling shareholders of MODIVO S.A. subscribed for 2,005 Series I shares in exchange for a cash contribution of PLN 1.2m. As a result of the transactions, the non-controlling interest in MODIVO S.A. increased from 25.01% to 25.31%. The transaction was recognised as an equity transaction, and the difference between the amount by which the non-controlling interests were adjusted, i.e., PLN 7.8m, and the amount paid was charged directly to equity (retained earnings) and allocated to owners of the parent.
[3] DeeZee Sp. z o.o. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (75%).
[4] Shares in Shoe Express S.A. are held by CCC Shoes & Bags Sp. z o.o. (95%) and CCC.eu sp. z o.o. (5%).
[5] C-AirOp Ltd. is a subsidiary of CCC S.A. (50%). Having analysed the functions performed by the company's shareholders, the Management Board is of the opinion that the Group continues to control the operations and management of the company.
[6] On March 2nd 2022, the Extraordinary General Meeting of OFP Sp. z o.o. passed a resolution to change the company's name to HalfPrice Sp. z o.o.
[7] The shares in OBUV OOO (formerly CCC Russia OOO) were held by CCC Shoes & Bags Sp. z o.o. (75%) and CCC.eu Sp. z o.o. (25%). The change of the company's name from CCC Russia OOO to OBUV OOO was registered on April 27th 2022. On May 17th 2022, following the fulfilment of conditions precedent, the shares in that company were sold outside the CCC Group. The transaction is described in more detail in these financial statements in Note *Discontinued Operations*.
[8] OFP Austria GmbH is a subsidiary of HalfPrice Sp. z o.o. (100%).
[9] On February 1st 2022, the Modivo Group registered a new subsidiary Modivo S.R.L.
[10] On April 18th 2022, the CCC Group registered a new subsidiary OÜ CCC Estonia in Estonia. The company is a wholly-owned subsidiary of CCC S.A.
[11] On April 19th 2022, the CCC Group registered a new subsidiary UAB CCC Lithuania in Lithuania. The company is a wholly-owned subsidiary of CCC S.A.
[12] On May 5th 2022, the CCC Group registered a new subsidiary SIA CCC Shoes Latvia in Latvia. The company is a wholly-owned subsidiary of CCC S.A.

BASIS OF ACCOUNTING

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, as endorsed by the EU ("IAS 34").
Interim condensed consolidated financial statements do not include all the information and disclosures required in full-year financial statements and should be read in conjunction with the consolidated financial statements of the CCC Group for the year ended January 31st 2022, which were authorised for issue on April 20th 2022.
The financial statements have been prepared on a historical cost basis except for investment property and derivative financial instruments, which are measured at fair value.
The data contained in these interim condensed consolidated financial statements is presented in millions of Polish złoty, unless more accurate information is provided in specific cases. The functional and reporting currency of the Parent is the Polish złoty (PLN). The functional currency of each subsidiary is determined separately, and used to measure that subsidiary's assets and liabilities.

BASIS OF CONSOLIDATION

These interim condensed consolidated financial statements contain the financial statements of CCC S.A. and its subsidiaries. The subsidiaries are consolidated from the date the CCC Group acquires control until the date the Group ceases to control a given subsidiary. In the reporting period the Group controlled all of its subsidiaries. All transactions, balances, income and expenses between the consolidated related entities are eliminated on consolidation.

GOING CONCERN

These consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern for the foreseeable future, i.e., for a period of at least 12 months from the reporting date.
Below in this note are presented important issues, including uncertainties concerning circumstances that may pose risks to the Group continuing as a going concern.

As at July 31st 2022, the Group's current assets exceeded current liabilities by approximately PLN 140.4m.

As presented in Notes 4.2, 4.3 and 6.1 to these consolidated financial statements, the Group's operations are financed through financial instruments, including mainly credit facilities and bonds. The debt outstanding under those instruments as at the reporting date was approximately PLN 2,565.6m. The Group also uses reverse factoring in settlements with suppliers, with the debt outstanding as at the reporting date of approximately PLN 513.2m.
As a result of the outbreak of the COVID-19 pandemic and the imposition of temporary restrictions on retail trade in the countries where the Group operates, a priority task faced by the Parent's Management Board was to enter into an agreement with the banks financing the Group's operations to ensure a stable level of financing for the duration of the pandemic and beyond.
Following discussions with the Group's financing institutions, long-term financing was provided to fund the Group's operations, as described in more detail in the consolidated financial statements for 2021.

Execution of the New Financing Agreement and related documents, as well as the additional financing documents referred to above, between CCC S.A., its subsidiaries, Modivo S.A. and financial institutions, was part of the CCC Group's debt refinancing efforts aimed at ensuring a stable long-term financing level for the Group, consistent with the business objectives under the GO.22 strategy and key strategic projects covered by that strategy.

In response to material developments in the Group's business environment in 2020 and 2021 following the outbreak of the COVID-19 pandemic, the Management Board decided to prepare an update of the CCC Group's GO.22 strategy, first adopted in January 2020.
The updated GO.25 Everything Fashion. Omnichannel Platform strategy was adopted and released in November 2021, and its key objectives to be delivered by 2025 are discussed at length in the annual Directors' Report on the Group's operations in the section 'CCC Group's strategy. Execution and growth plans.'

The strategy includes a budget approved by the Supervisory Board and subsequently updated to represent a financial model prepared for the extension of financing provided by BGK, as described below. The model contains assumptions concerning:

- increase in sales generated by the CCC Business Unit,
- margin improvement in the CCC segment,
- opening of new HalfPrice and CCC stores,
- cost discipline and optimisation of labour costs,
- improvement of cost efficiency in logistics, marketing and IT.

The financial model was prepared on the assumption that there would be no shopping mall closures, no restrictions on trade, and no material changes in the business conducted in Ukraine through franchisees in relation to the current conditions.

Implementation and delivery of all the measures, objectives, plans and financial projections described above are subject to numerous future risks and uncertainties.

In December 2021 and January 2022, the Group saw a decline in its sales performance due to the persistently high COVID-19 incidence rates, which affected footfall rates in shopping malls as well as sales figures generated in the last months of the financial year.
Moreover, in February 2022 Russia's aggression against Ukraine began, leading to a slowdown in sales in February and March 2022 and adversely affecting the overall macroeconomic situation in Poland and abroad.
In Ukraine, the Group operates via a franchise model, hence the Group's assets other than trade receivables allocated to that market as at the reporting date were immaterial. The Group had 39 stores in Russia, which were operated by a subsidiary. In 2021, combined sales in Ukraine and Russia accounted for 2.37% of the CCC Group's overall revenue.
On May 17th 2022, the shares in the Russian subsidiary were sold outside the CCC Group. The sale of the shares was accounted for in these financial statements of the Group. The transaction is described in more detail in the 'Discontinued Operations' section.

The Management Board of the CCC Group has identified the following as factors which may bear on the implementation of the Group's financial model for 2022, including in view of the volatile conditions in the financial markets and as a result of possible changes in consumer behaviour:

- Further developments in Ukraine and Russia, which could have a significant, yet still difficult to predict, impact on many aspects of the business and its external environment described below;

- Macroeconomic risks, including higher commodity prices and higher salaries affecting the purchase prices of goods, capital expenditure amounts, as well as higher operating expenses, in particular in transport and logistics;
- Decline in consumer demand for products offered by the Group as a result of changing macroeconomic conditions (rising inflation, interest rates, etc.), as well as the Group's potential decisions to raise the prices of merchandise;
- Exchange rate movements affecting the performance of foreign operations and the cost of goods purchase, as well as rental costs;
- Fiercer competition in the market environment, especially in terms of product prices having an effect on the results generated in the course of day-to-day operations;
- Occurrence of unplanned and/or unforeseen changes in fashion trends and weather conditions;
- Changes in consumer behaviour due to the COVID-19 pandemic and the migration crisis, or postponement of purchasing decisions;
- Delivery of worse-than-expected results relative to plans and projections, including failure to achieve the assumed levels of sales and margins in individual months;
- Materialisation of operational risks;
- Occurrence of non-business factors, including further impact of the COVID-19 pandemic;
- Volatility in the financial markets, which may prevent the initial public offering of Modivo S.A. shares to be carried out as planned;
- Results of talks with the financing institutions on further financing for the Group, as described below.

The risks and extraordinary circumstances identified above are a source of significant uncertainty regarding the delivery of the financial plans for 2022, including compliance with the financial covenants under the agreements financing the Group's operations, and thus also the Group's ability to continue as going concerns.

Under the financing agreements concluded by the Group, the Group is required to comply with certain financial covenants, separately for the CCC business unit and for the Modivo business unit, which were complied with in the financial year ended January 31st 2022 and as at that date. Based on the 2022 financial model prepared by the Management Board, the Group expects to meet the financial covenants set forth in those agreements, including in particular with respect to the reported EBITDA for individual interim periods, as well as the net debt/EBITDA and DSCR ratios as at the end of the following financial year.

In particular, with respect to the ratios which the Group is obliged to maintain as at July 31st 2022, as calculated by the Group's Management Board, the terms of the financing agreements were not breached. In accordance with the agreement, formal confirmation of the fulfilment of the financing terms is to be made within a specified period after the date of issue of the Group's consolidated financial statements.

The main efforts undertaken by the Management Board include continued talks with the Group's financing banks on extension of the financing granted to the Group under the Common Terms Agreement as regards the liquidity guarantee of up to PLN 250m extended by Bank Gospodarstwa Krajowego (BGK), which expires on October 30th 2022, and other financing of the Group. As a result of these talks, a Term Sheet was agreed on October 12th 2022 (with respect to the Common Terms Agreement as regards the liquidity guarantee of up to PLN 250m extended by Bank Gospodarstwa Krajowego (BGK)) and on October 19th 2022 (with respect to the remaining financing amount), which defines further terms of cooperation with regard to the level of the financial ratios set out in the financing agreements starting from October 31st 2022. The ratios were reduced for the following reporting dates, as described in detail in Section 21.3 'Covenants/financial ratios' of the Directors' Report.

Under the Term Sheet of October 12th 2022, the financing agreements were extended for another 24 months, for the amount of PLN 250m. The talks are to be concluded and the documents are to be signed by October 29th 2022.

Changes in the ratios were also confirmed by the bondholders with respect to bond issue agreements, containing the same ratios, as confirmed on October 24th 2022 by the Bondholders Meeting convened to obtain the Bondholders Meeting's consent to change selected financial ratios and to amend the Terms and Conditions of the Bonds.

For the remaining part of the financing, maturing in the first half of 2023, the Group plans to extend the duration of the financing. Talks with banks regarding this matter will be held in the fourth quarter of 2022 and in the first quarter of 2023. Details, including new maturities, regarding this part of the debt depend on the final arrangements made with the banks financing the Group's operations. Information on the current maturities of the Group's credit facilities and bonds is presented in Note 4.2 on the Group's debt.

Moreover, the Management Board of CCC S.A. convened an Extraordinary General Meeting of CCC S.A. for November 17th 2022. The General Meeting has been convened at the request of the Company's main shareholder Ultro S.a.r.l. (a subsidiary of Dariusz Miłek) to vote on a share capital increase resolution. The request contains a non-binding intention to provide equity financing of up to approximately PLN 500m, to be applied to finance the Company's working capital, if the Company issues new shares with the pre-emptive rights of existing shareholders waived.

In addition, the Company's Management Board is considering the options to raise capital by way of a leaseback of selected property, plant and equipment owned by the CCC Group companies, raise new financing (debt or equity) for selected entities or business lines of the Group (e.g., HalfPrice), as announced by the Group in a current report. The initial public offering of Modivo S.A. is also being prepared.

The Management Board has prepared a detailed analysis of the financial model's sensitivity over the next 12 months, as well as scenarios of alternative measures, calculated the expected values of the financial ratios and compared them with the expectations of the banks financing the Group's operations, taking into account the risks, events and actions described above.

The key element of that analysis were parameters that could cause underperformance relative to the objectives set out in the 2022 financial plan and failure to achieve the financial covenants that the Group, including separately for the CCC business unit and for the Modivo business unit, is required to comply with under its financing agreements.

In the Management Board's opinion, a number of measures are also available to offset the adverse effect of the risks listed above on the Group's financial performance. The measures include cost savings in relation to the financial model as well as working capital optimisation.
The Management Board has taken appropriate measures in order to implement the plans set out in the financial model and in the agreements with the institutions financing the Group's operations, including the CCC Business Unit, and to ensure the Group and its business units (CCC and Modivo) retain liquidity even if their sales and/or margins come in below the target levels.

Should such measures prove insufficient for delivering the objectives set out in the budget, the Management Board may take steps to procure dividend payments from subsidiaries, which would enable the achievement of target performance and compliance with the financial covenants under the credit facility agreements.

In conclusion, despite the risks and exceptional circumstances mentioned above, the Group's Management Board, based on the financial model for 2022, including the analyses and scenarios of alternative measures described above, and considering the execution of the Term Sheet and obtaining bondholders' consent to reduce the required levels of financial ratios and other agreements for the financing of the Group's operations, is convinced that adequate preventive measures have been taken or prepared to ensure that these risks are mitigated and the Group's plans are carried out, and has therefore drawn up the attached consolidated financial statements on a going concern basis.

SIGNIFICANT EVENTS AND TRANSACTIONS THAT OCCURRED AFTER THE END OF THE LAST ANNUAL REPORTING PERIOD

1. For more information on Russia's military aggression against Ukraine and the consequent sale of the subsidiary OBUV OOO, see Note 6.3.
2. For more information on the acquisition of assets from a franchisee of the Group, see Note 6.2.
3. After the reporting date and before the issue of these financial statements, agreements were signed with the institutions providing financing to the CCC Group, including to CCC S.A., described in the 'Going concern' section and in Note 26 to the half-year report.

EFFECT OF THE OUTBREAK OF WAR ON UKRAINE ON THE GROUP'S OPERATIONS

In the wake of Russia's unjustified and unprovoked attack on Ukraine, the Management Board decided to discontinue supplies to the Russian market and to suspend further development of the CCC Group's business in Russia by abandoning its expansion plans and consistent downscaling of the planned operations. The Group had 39 stores in Russia, which were operated by a subsidiary. The subsidiary was sold outside the Group on May 17th 2022. For more information, see Note 6.3.
As the Group operates in Ukraine through a franchise, the assets allocated to that market are exclusively trade receivables. As at the reporting date, the receivables amounted to PLN 23.8m and an impairment loss of PLN 9.4m was recognised with respect to them (net exposure as at the reporting date was PLN 14.4m).

EFFECT OF CHANGES IN THE ECONOMIC SITUATION ON THE VALUATION OF ASSETS AND LIABILITIES OF THE CCC GROUP

Inventory write-downs
For more information, see Note 5.3.

Expected credit losses (ECL)
The Group assesses expected credit losses ("ECL") associated with debt instruments measured at amortised cost and fair value through other comprehensive income, regardless of whether there is any indication of impairment.
With respect to short-term trade receivables without a significant financing component, lease receivables and other receivables, the Group applies the simplified approach provided for in IFRS 9 and measures impairment losses in the amount of credit losses expected over the entire lifetime of a receivable since its initial recognition.
In the case of receivables for which a case-by-case approach is justified, the Group measures the probability of default based on market data published by Moody's.
The Group's business involves mainly retail, digital and wholesale activities. Trade receivables relate mainly to the wholesale business and cooperation with franchisees (trade receivables in the retail and digital segments are not material). The economic situation in the reporting period and the Group's efforts led to higher sales in the retail, digital and wholesale channels. Allowances were recognised for receivables from entities which, in the Group's opinion, are exposed to the highest risk of default in the short term.
With respect to those assets, the Group identified a default risk and recognised a PLN 30.8m impairment loss on receivables from customers in the six months to July 31st 2022 (including PLN 9.4m relating to receivables from a franchisee operating in the Ukrainian market, as mentioned above). As a result, the impairment loss on receivables from customers as at July 31st 2022 was PLN 91.2m.
The Group has not observed any material deterioration in collection rates or an increase in bankruptcies or restructurings among its other customers and is not aware of any circumstances that may lead to such deterioration in the future, except in the Ukrainian market, which is being monitored on an ongoing basis. Accordingly, the Group expects that the recoverability of the receivables disclosed in the statement of financial position as at July 31st 2022, maturing in the coming months, will remain substantially unchanged.
Another group of assets exposed to credit losses are loans. A credit loss allowance covering 100% of the exposure was recognised with respect to these assets in 2020.
For further information of the recognised loss allowances, see Note 6.1.

Impairment of property, plant and equipment, intangible assets, goodwill and rights-of-use assets
As at July 31st 2022, following an assessment of indications of impairment of property, plant and equipment, intangible assets, goodwill and right-of-use assets, the need to conduct an impairment test concerning certain cash generating units (stores) and the Gino Rossi trademark was identified – for more information, see Note 3.3 in the section entitled *Impairment of property, plant and equipment, intangible assets, goodwill and rights-of-use assets.* No indications of impairment were identified for the other assets. In the period for which these interim condensed consolidated financial statements were prepared, no impairment losses on the above assets were recognised.

Other accounting matters and issues
As at the date of these financial statements, the Group did not identify any material risks related to potential breach of the terms of its existing trade and supply contracts.
As a result of the execution of financing agreements with banks, bondholders and other institutions, the Group is required to meet a number of covenants, which will be calculated and tested in subsequent reporting periods, as described in detail in Section 21 'Management of financial resources and liquidity' of the Directors' Report on the Group's operations.
As at July 31st 2022, in the opinion of the Management Board none of the covenants were breached during the reporting period and until the date of authorisation of the financial statements for issue.

Based on its financial projections for subsequent reporting periods, the Group believes that the recognised deferred tax asset is recoverable.

FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

Items of the financial statements of individual Group entities are measured in the currency of the primary economic environment in which the entity operates ("functional currency"). These consolidated financial statements are presented in the Polish złoty (PLN), which is the functional currency of the parent and the presentation currency of the Group.

STATEMENT OF ACCOUNTING POLICIES

The accounting policies applied by the CCC Group did not change relative to those applied in the full-year financial statements for the financial year February 1st 2021 – January 31st 2022, except for the application of new or amended standards and interpretations effective for annual periods beginning on or after February 1st 2022.
The Group changed the presentation of costs of points of purchase and other distribution costs in the consolidated statement of comprehensive income. As of February 1st 2022, these costs are presented as a single cost item headed *Costs of points of purchase and distribution*. Also, the Group changed the presentation of costs by nature of expense by aggregating costs of other services and other expenses into a single item and by identifying a separate cost item headed *Advertising*. In the Group's opinion, these changes reflect the substance of cost aggregation and classification and the method used by management to analyse the items concerned. To ensure data comparability, the comparative data was restated accordingly.
The Parent and other Group companies were established for an indefinite period.

New and amended accounting standards
The amended standards and interpretations which apply for the first time in 2022 do not have a material impact on the Group's consolidated financial statements:
- Amendments to IAS 16: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to IFRS 3: Business Combinations – Reference to the Conceptual Framework
- Annual Improvements to IFRSs 2018–2020 Cycle

The Group did not elect to early adopt any of the standards, interpretations or amendments that have been issued but are not yet effective in accordance with the European Union regulations.

FACTORS WITH MATERIAL BEARING ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Statement of comprehensive income

Revenue

Revenue went up by PLN 805.9m year on year, driven mainly by the roll-out of the omnichannel model at the Group, development of the HalfPrice segment, and expansion of the range of products available.
In the first six months to July 31st 2022, the Group's retail revenue rose by PLN 285.1m (18.3%) year on year. The second quarter of 2022 saw the revenue fall by PLN 8.7m (-0.8%) year on year.
In the first six months to July 31st 2022, the Group's digital revenue rose sharply, by PLN 558.7m (31.4%) year on year. The second quarter of 2022 saw the revenue rise by PLN 364.8m (41.1%) year on year.
Also, in the financial year 2021, the Group began to roll out a new off-price format (the project was officially launched on May 4th 2021) by expanding its chain of offline stores and deploying an online platform under the HalfPrice brand. The stores offer branded products at attractive prices. The sales mix includes fashion as well as cosmetics, sports equipment, home accessories and much more. In the first six months to July 31st 2022, revenue generated by the HalfPrice chain only rose by PLN 260.1m (>100%) year on year, while in the second quarter the revenue grew by PLN 142.7m (>100%) year on year.

Cost of sales

Cost of sales related to continuing operations grew by 17.2% year on year, while revenue rose by 23.3%. The increase was due mainly to the revival of sales in the retail channel, development of the digital channel and the omnichannel model, expansion of the product portfolio, and the launch of sales in the HalfPrice segment. The growth in margins was a combined effect of higher initial-price sales and discount policy management, among other factors. The decrease in raw material and consumables used and in salaries, wages and employee benefits under cost of sales is attributable to discontinued production at two CCC Group companies: Gino Rossi S.A. and CCC Factory Sp. z o.o.

Costs of points of purchase and distribution

Costs of points of purchase and distribution increased by PLN 392.5m (28.1%) year on year, driven mainly by:

- PLN 23.7m increase in other costs, including mainly costs of logistics and warehouse services, IT maintenance, and advisory services;
- PLN 154.9m increase in costs of salaries, wages and employee benefits, being a consequence of expansion of the sales channels, store closures during lockdowns, and government subsidies received towards salaries, wages and employee benefits in 2021;
- PLN 60.7m increase in other rental costs (sales-based rents and variable costs: utilities, electricity, etc.) attributable to expansion of the sales channels and renegotiation of lease contracts – shift from fixed rents to variable, sales-based rents,
- PLN 73.9m increase in advertising costs.

Administrative expenses

The PLN 7.5m year-on-year decrease in administrative expenses was attributable to a PLN 14.3m decrease in other expenses, a PLN 12.9m decrease in advertising costs, and a PLN 13.0m increase in salaries and wages and employee benefits.

Other operating income and expenses

Other expenses increased by PLN 78.2m year on year, to PLN 98.6m. The increase in other expenses was mainly attributable to:

- PLN 55.3m increase in foreign exchange losses on items other than debt;
- PLN 6.9m increase in losses on disposal and retirement of property, plant and equipment;
- PLN 5.7m increase in interest and penalties.

The allowance for expected credit losses on trade receivables, other receivables and lease receivables was PLN 30.8m and rose by PLN 23.0m year on year. The allowance recognised in the reporting period was related mainly to wholesale trading partners.

As a result those events, operating result for the six months ended July 31st 2022 was PLN -25.2m, down by PLN 2.0m year on year.

Finance costs and income

In the reporting period, finance income went up by PLN 9.7m year on year, to PLN 18.6m, and included mainly:

- PLN 6.2m valuation of a call option over non-controlling interests in the subsidiary DeeZee Sp. z o.o.,
- PLN 11.1m valuation of a derivative financial instrument (Equity Kicker) embedded in bonds issued to PFR.

In the reporting period, the Group recorded a PLN 7.6m year-on-year decline in interest income on current accounts, loans and other (February 1st–July 31st 2022: PLN 1.0m; Febraury 1st–July 31st 2021: PLN 8.6m).

Finance costs went up by PLN 141.5m year on year, to PLN 205.2m, and were driven mainly by:

- Interest expense on borrowings and bonds of PLN 130.4m, compared with PLN 16.6m in the previous year. The increase was due to a change in the financing structure that took place during the financial year 2021 and higher debt service costs following a series of interest rate hikes introduced by the National Bank of Poland;
- PLN 12.2m valuation of a derivative financial instrument embedded in bonds convertible into Modivo shares – voluntary conversion option;
- Foreign exchange gains of PLN 35.3m (PLN 0.4m).

Net of income tax of PLN 2.4m, the CCC Group's net loss on continuing operations for the six months ended July 31st 2022 was PLN 214.2m, up by PLN 121.8m year on year.

Statement of financial position

Assets

As at July 31st 2022, the CCC Group had total assets of PLN 7,584.5m, up by PLN 83.8m on January 31st 2022.

Non-current assets

As at July 31st 2022, non-current assets amounted to PLN 3,439.0m, up by PLN 45.2m on the end of the previous year. The change was mainly caused by:

- PLN 27.8m increase in intangible assets;
- PLN 84.6m increase in property, plant and equipment; and
- PLN 71.3m decrease in right-of-use assets.

As at the reporting date, intangible assets amounted to PLN 345.7m and were PLN 27.8m higher compared with January 31st 2022. The change is attributable to expenditure of PLN 17.6m on software supporting the e-commerce sales channel, as well as expenditure ofPLN 22.2m on intangible assets under development, made mainly in connection with the implementation of new technological solutions relating to the eobuwie and Modivo applications. The increase was offset by accrued amortisation of PLN 11.7m.

Goodwill as at the reporting date rose by PLN 6.2m, to PLN 204.1m, mainly as a result of the acquisition of organised part of business from the Group's existing franchisees (Sabiedrība ar ierobežotu atbildību CCC Baltija of Latvia, OÜ CCC Baltija of Estonia, and UAB CCC Baltija of Lithuania). For details, see Note 6.2 to these financial statements.

Property, plant and equipment – investments in stores as at July 31st 2022 amounted to PLN 639.2m, up PLN 65.6m on January 31st 2022. The change was mainly caused by:

- Capital expenditure of PLN 155.8m incurred in connection with the expansion of the retail business and development of the omnichannel model at the Group;
- Depreciation of PLN 69.8m;
- Derecognised or sold investments in stores of PLN 10.8m; and

- PLN 21.7m in store assets disposed of in the Russian market following sale of a subsidiary – for more information, see Note 6.3.

Property, plant and equipment – distribution as at July 31st 2022 amounted to PLN 644.6m, up by PLN 21.0m on January 31st 2022. The change was mainly attributable to accrued depreciation of PLN 31.1m and expenditure of PLN 55.0m related to the extension of the K3 warehouse in Zielona Góra.

Property, plant and equipment – other as at July 31st 2022 amounted to PLN 89.5m, down by PLN 2.0m on January 31st 2022. The change was mainly attributable to accrued depreciation of PLN 8.1m and expenditure of PLN 10.0m.

Current assets

Current assets rose by PLN 38.6m relative to January 31st 2022, to PLN 4,145.5m, And comprised mainly inventory of PLN 2,950.7m (January 31st 2022: PLN 2,625.8m) and cash and cash equivalents of PLN 710.1m (January 31st 2022: PLN 941.1m). The change is attributable mainly to:

- PLN 324.9m increase in inventories, which was attributable to the stocking up for the autumn-winter 2022 Back to School collection and the development of the HalfPrice network. In the six months to July 31st 2022, inventory write-downs increased by PLN 12.6m; and
- PLN 231.0m decrease in cash, as described in more detail in the section on the statement of cash flows.

As at the reporting date, short-term trade and other receivables amounted to PLN 444.2m, down by PLN 75.3m on January 31st 2022. Trade receivables amounted to PLN 165.8m, down by PLN 60.3m, mainly due to payment of receivables, lower wholesale sales, and an impairment loss of PLN 30.8m recognised in the reporting period (impairment losses on trade receivables as at the reporting date amounted to PLN 91.2m).

Other receivables were PLN 278.4m, down by PLN 15.0m. Other receivables included prepaid deliveries of PLN 98.5m (January 31st 2022: PLN 113.3m), tax receivables of PLN 82.9m (January 31st 2022: PLN 91.5m), prepayments of PLN 49.9m (January 31st 2022: PLN 38.8m), receivables from sale of property, plant and equipment of PLN 16.6m (January 31st 2022: PLN 20.4m) and other receivables of PLN 30.5m (January 31st 2022: PLN 29.4m).

Non-current liabilities

As at the reporting date, non-current liabilities fell by PLN 761.5m, to PLN 2,648.7m.

As at July 31st 2022, non-current liabilities under bank borrowings and bonds amounted to PLN 1,230.5m, having decreased by PLN 684.1m year on year, mainly as a result of reclassification of liabilities under bonds convertible into shares, subscribed for by Softbank, as current liabilities due to the approaching maturity date (for details, see Notes 4.3. and 6.1).

As at the reporting date, other non-current liabilities amounted to PLN 4.8m. The PLN 18.6m decrease relative to the previous year was attributable to the transfer of amounts due to employees to other current liabilities.

As at July 31st 2022, other non-current financial liabilities totalled PLN 8.8m, and are entirely related to the valuation of a derivative financial instrument embedded in bonds issued to PFR – Equity Kicker (for more information, see Note 6.1). Derivative financial instruments embedded in bonds convertible into Modivo shares (voluntary conversion option) are presented as current as at the reporting date and amount to PLN 26.8m. As at January 31st 2022, the instrument was measured at PLN 14.6m and was entirely presented as a non-current liability. For detailed information on embedded financial instruments, see Note 6.1.

Current liabilities

Current liabilities increased by PLN 1,066.2m, to PLN 4,005.1m as at the reporting date and comprised mainly:

- Trade and other payables, which rose by PLN 162.3m relative to January 31st 2022 and amounted to PLN 1,642.4m as at the reporting date. The change is attributable to the stocking-up seasonality at the CCC Group.
- Current liabilities under borrowings and bonds of PLN 1,335.1m, which increased by PLN 790.1m year on year (PLN 545.0m as at January 31st 2022), mainly due to reclassification of the liability under bonds convertible into shares, subscribed for by Softbank, as current liabilities due to the approaching maturity date (for details, see Section 4.3).
- Other current liabilities of PLN 512.2m, which went up by PLN 136.3m year on year. The increase in other liabilities was mainly attributable to a PLN 70.1m increase in indirect taxes, customs duties and other payables, as well as a PLN 12.6m increase in amounts due to employees (chiefly a consequence of reclassification of liabilities from non-current to current in view of the approaching maturity). Accruals and deferred income, mainly related to the provision for future costs, increased by PLN 29.8m. The reporting period also saw a PLN 15.4m rise in returns liabilities.

As at July 31st 2022, equity stood at PLN 930.7m and fell by PLN 220.9m compared with January 31st 2022.

Statement of cash flows

In the six months ended July 31st 2022, net cash provided by operating activities was PLN 205.7m. The amount included mainly a pre-tax loss of PLN 250.0m adjusted by depreciation and amortisation of PLN 295.8m, impairment losses on property, plant and equipment, right-of-use assets, intangible assets, and a fair value measurement of a disposal group of PLN 48.6m, profit (loss) on investing activities of PLN 23.9m, borrowing costs of PLN 148.3m, other pre-tax adjustments of PLN 10.3m. Net cash provided by operating activities also included the effect of a change in net working capital of PLN36.5m.

Net cash used in investing activities in the six months ended July 31st 2022 amounted to PLN 237.7m. It included mainly expenditure of PLN 246.0m on acquisition of property, plant and equipment and intangible assets, and proceeds of PLN 44.4m from settlement of investments in stores with tenants.

Net cash provided by financing activities in the six months ended July 31st 2022 was PLN 237.7m and included mainly proceeds from borrowings of PLN 67.4m and other cash provided by financing activities, relating to recapitalisation of Modivo S.A., in the amount of PLN 24.0m. Net cash provided by financing activities was offset by net cash used in financing activities: interest payments of PLN 83.6m, lease liabilities of PLN 217.2m, and repayment of credit facilities of PLN 28.3m.

In the six months ended July 31st 2022, cash decreased by PLN 231.0m, to PLN 710.1m as at July 31st 2022.

2. SEGMENTS AND REVENUE

Operating segments and revenue are presented in a manner consistent with internal reporting provided to the chief operating decision maker, on the basis of which the decision maker assesses the performance of the operating segments and decides on the allocation of resources. The Management Board of the Parent is the chief operating decision maker.

The Management Board analyses the Group's business in terms of geographical markets and distribution channels:
- in terms of the geographical markets, the Management Board differentiates between Poland, Central Europe, and Western Europe;
- in terms of the distribution channels, the Management Board identifies omnichannel (total of the offline and digital channels), digital, retail and other activities, in the three geographical areas.

Financial data prepared for the management reporting purposes is based on the same accounting principles as the principles applied in the preparation of consolidated financial statements.

For detailed information on seasonality and periodic changes in sales, see Section 18.2 of the Directors' Report.

In the reporting period, the Group maintains the previous year's approach to operating segments and their aggregation into reportable segments. This is related to the intertwining of sales channels (retail and e-commerce) and their presentation as an omnichannel. The individual cash-generating units (stores and related websites) were aggregated according to business lines/channels. In addition, due to the similarities between the economic characteristics in individual markets, the Group currently presents reportable segments in a breakdown by Poland, Central and Eastern Europe and Western Europe. Other activities include wholesale and other types of activity. The division into reportable segments reflects the Group's strategic business growth directions.

The operating and reportable segments identified by the Group are presented below.

<table>
<tr><th>Reportable segment</th><th>Overview of the reportable segment's activities and performance metrics</th><th>Reasons for aggregation of operating segments into reportable segments, including economic considerations taken into account in assessing the similarity of the operating segments' economic characteristics</th></tr>
<tr><td>CCC omnichannel sales in Poland – sales via the CCC websites and offline stores operating in the CCC chain.</td><td rowspan="3">Each individual own store and website operating in the country is a separate cash-generating unit. The offline stores and the websites sell footwear, handbags, shoe care accessories and small clothing accessories in their own outlets. The performance measures are gross profit on external sales and the segment's operating result (segment's profit / (loss)), which is calculated as revenue less cost of goods sold, direct distribution costs of the retail network and websites, as well as costs of sales support units (costs of points of purchase and distribution).</td><td rowspan="3">Financial information was aggregated for the CCC chain by geographical markets because of: Similarity of long-term average gross margins, similar nature of merchandise (shoes, handbags, shoe care accessories, small clothing accessories, etc.), similar distribution processes, similar customer categories (sales through own stores to retail customers).</td></tr>
<tr><td>CCC omnichannel sales in Central and Eastern Europe (Czech Republic, Slovakia, Hungary, Croatia, Slovenia, Bulgaria, Romania, Russia, Serbia) – sales via the CCC websites and retail stores operating within the CCC chain</td></tr>
<tr><td>CCC omnichannel sales in Western Europe (Austria) – sales via the CCC websites.</td></tr>
<tr><td>Eobuwie omnichannel sales in Poland – sales via the eobuwie websites and through the offline stores operating in the eobuwie.pl chain.</td><td colspan="2" rowspan="3">The activities are carried out by the Modivo Group, which distributes goods through online channels and offline stores. The Group sells footwear, clothing, handbags, shoe care accessories and small clothing accessories to Polish and foreign retail customers. Sales are conducted through the eobuwie websites, as well as at the eobuwie showrooms – revenue from these sales is presented together with revenue from online channels. The performance measures are gross profit on external sales and the segment's operating result (segment's profit / (loss)), which is calculated as revenue less cost of goods sold and direct costs of operating the channel (including logistics costs).</td></tr>
<tr><td>Eobuwie omnichannel sales in Central and Eastern Europe (Czech Republic, Slovakia, Hungary, Croatia, Slovenia, Bulgaria, Romania, Lithuania, Ukraine) – sales via the eobuwie websites</td></tr>
<tr><td>Eobuwie omnichannel sales in Western Europe (Germany, Greece, Sweden, Italy, Spain, France, Switzerland) – sales through websites</td></tr>
<tr><td>Modivo digital sales in Poland – sales via the Modivo websites</td><td colspan="2" rowspan="3">The activities are carried out by the Modivo Group through the Modivo platform, which distributes goods through online channels. The company sells clothing, footwear, handbags, shoe care accessories and small clothing accessories to Polish and foreign retail customers. Sales are made through the Modivo website. The performance measures are gross profit on external sales and the segment's operating result (segment's profit / (loss)), which is calculated as revenue less cost of goods sold and direct costs of operating the channel (including logistics costs).
The Modivo Group also manufactures premium clothing (the Rage Age brand).</td></tr>
<tr><td>Modivo digital sales in Central and Eastern Europe (Czech Republic, Slovakia, Hungary, Croatia, Bulgaria, Romania, Lithuania, Ukraine) – sale via the Modivo website</td></tr>
<tr><td>Modivo digital sales in Western Europe (Germany, Greece, Sweden, Italy, Spain, France) – sales via the Modivo websites</td></tr>
<tr><td>HalfPrice omnichannel sales in Poland – sales via the HalfPrice websites and through offline retail stores operating within the HalfPrice chain.</td><td colspan="2" rowspan="3">The activities are conducted as the HalfPrice business line – sales at offline stores and via the website. The business comprises sales of clothing, footwear, accessories, cosmetics, toys, and homewares of known brands at attractive prices. The performance measures are gross profit on external sales and the segment's operating result (segment's profit / (loss)), which is calculated as revenue less cost of goods sold and direct costs of operating the channel (including costs of rental, salaries and wages, and logistics).</td></tr>
<tr><td>HalfPrice omnichannel sales in Central and Eastern Europe (Czech Republic, Hungary, Croatia, Slovakia, Slovenia) – sales through retail offline stores operating within the HalfPrice chain</td></tr>
<tr><td>HalfPrice omnichannel sales in Western Europe (Austria) – sales via retail offline stores operating within the HalfPrice chain</td></tr>
</table>

DeeZee digital sales in Poland and Europe (Czech Republic, Slovakia, Hungary, Romania, Ukraine) – sales via the DeeZee online store	The activities are carried out by DeeZee sp. z o.o., which distributes merchandise via Internet channels and conducts wholesale distribution of merchandise to and outside the Group. The Company sells footwear, clothing, handbags, shoe care accessories and small clothing accessories to Polish and foreign retail customers. The performance measures are gross profit on external sales and the segment's operating result (segment's profit / (loss)), which is calculated as revenue less cost of goods sold and direct costs of operating the channel (including logistics costs).
Other activities	The segment comprises wholesale, franchise and other activities. The distribution activities are conducted by CCC.eu, which distributes merchandise to and outside the Group. The Group sells footwear, clothing, handbags, shoe care accessories, and small clothing accessories to Polish and foreign franchisees and other wholesale customers. The performance measures are gross profit on external sales and the segment's operating result (segment's profit / (loss)), which is calculated as revenue less cost of goods sold and direct costs of the distribution network (including logistics costs).
Discontinued operations	In 2022 and 2021, discontinued operations included stores in Russia, while discontinued operations in 2021 include Karl Voegele AG stores and NG2 Suisse s.a.r.l. stores in Switzerland.

Reconciliation of the segment data for the consolidated financial statements is presented on the following pages.

(all amounts in PLN million unless stated otherwise)

February 1st–July 31st 2022 unaudited, reviewed	CCC omnichannel	eobuwie omnichannel	Modivo omnichannel	HalfPrice omnichannel	DeeZee	Other companies	CCC Group	Discontinued operations
Total CCC Group								
Total revenue	1,934.8	1,569.1	349.4	300.3	59.6	1,548.4	5,761.6	25.6
Revenue from inter-segment sales	-2.2	-26.5	-	-	-5.7	-1,480.6	-1,515.0	-
Revenue from sales to external customers	**1,932.6**	**1,542.6**	**349.4**	**300.3**	**53.9**	**67.8**	**4,246.6**	**25.6**
Gross profit	**1,078.1**	**665.8**	**145.2**	**136.9**	**28.8**	**-2.6**	**2,052.2**	**12.8**
Gross margin (gross profit on sales/revenue from sales to external customers)	*56%*	*43%*	*42%*	*46%*	*53%*	*-4%*	*48%*	*50%*
SEGMENT PROFIT OR LOSS	**140.0**	**127.6**	**15.0**	**-12.4**	**5.4**	**-11.5**	**264.1**	**0.2**
including running costs of start-up stores				**4.1**				
Segment assets:				**July 31st 2022**				
Non-current assets (net of other financial assets and deferred tax assets)	1,816.3	675.9	107.9	421.5	8.2	218.2	3,248.0	-
Deferred tax assets	80.5	60.7	13.9	11.9	1.9	11.0	179.8	-
Inventories	1,454.1	979.2	273.3	219.6	24.4	0.1	2,950.7	-
in stores	635.7	72.8	-	86.0	24.4	0.1	819.0	-
in the central warehouse	818.4	906.4	273.3	133.6	-	-	2,131.7	-
Property, plant and equipment and intangible assets	752.4	461.5	97.5	186.8	5.9	214.9	1,719.0	-
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-197.3	-28.9	-3.0	-36.4	-0.5	-1.4	-267.5	-2.3
Poland								
Total revenue	1,220.8	584.7	128.7	241.0	59.6	1,548.4	3,783.2	-
Revenue from inter-segment sales	-	-26.5	-	-	-5.7	-1,480.6	-1,512.8	-
Revenue from sales to external customers	**1,220.8**	**558.2**	**128.7**	**241.0**	**53.9**	**67.8**	**2,270.4**	**-**
Gross profit	**660.3**	**223.6**	**50.6**	**106.2**	**28.8**	**-2.6**	**1,066.9**	**-**
Gross margin (gross profit on sales/revenue from sales to external customers)	*54%*	*40%*	*39%*	*44%*	*53%*	*-4%*	*47%*	-
SEGMENT PROFIT OR LOSS	**159.9**	**36.8**	**0.5**	**-5.6**	**5.4**	**-11.5**	**185.5**	**-**
including running costs of start-up stores				**3.0**				
Segment assets:				**July 31st 2022**				
Non-current assets (net of other financial assets and deferred tax assets)	1,093.2	309.0	37.7	330.6	8.2	218.2	1,996.9	-
Deferred tax assets	53.9	23.6	5.3	10.5	1.9	11.0	106.1	-
Inventories	1,157.3	831.0	273.3	202.1	24.4	0.1	2,488.2	-
in stores	338.9	63.4	-	68.5	24.4	0.1	495.3	-
in the central warehouse	818.4	767.6	273.3	133.6	-	-	1,992.9	-
Property, plant and equipment and intangible assets	568.6	198.1	37.3	156.6	5.9	214.9	1,181.4	-
Material income/(expenses):								

Depreciation/amortisation disclosed in the costs of points of purchase and other distribution costs	-95.3	-19.0	-1.2	-26.0	-0.5	-1.4	-143.4	-
Central and Eastern Europe								
Total revenue	711.3	624.8	155.0	33.5	-	-	1,524.6	25.6
Revenue from inter-segment sales	-2.2	-	-	-	-	-	-2.2	-
Revenue from sales to external customers	**709.1**	**624.8**	**155.0**	**33.5**	**-**	**-**	**1,522.4**	**25.6**
Gross profit	**416.2**	**279.7**	**66.6**	**17.3**	**-**	**-**	**779.8**	**12.8**
Gross margin (gross profit on sales/revenue from sales to external customers)	*59%*	*45%*	*43%*	*52%*	-	-	*51%*	*50%*
SEGMENT PROFIT OR LOSS	**-19.7**	**65.1**	**11.9**	**-1.6**	**-**	**-**	**55.7**	**0.2**
including running costs of start-up stores				**1.1**				
Segment assets:				**July 31st 2022**				
Non-current assets (net of other financial assets and deferred tax assets)	723.1	249.1	52.0	45.6	-	-	1,069.8	-
Deferred tax assets	26.5	23.6	6.0	-	-	-	56.1	-
Inventories	296.8	148.2	-	12.3	-	-	457.3	-
in stores	296.8	9.4	-	12.3	-	-	318.5	-
in the central warehouse	-	138.8	-	-	-	-	138.8	-
Property, plant and equipment and intangible assets	183.8	169.2	42.2	23.9	-	-	419.1	-
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-102.0	-6.9	-1.2	-4.9	-	-	-115.0	-2.3
Western Europe								
Total revenue	2.7	359.6	65.7	25.8	-	-	453.8	-
Revenue from inter-segment sales	-	-	-	-	-	-	-	-
Revenue from sales to external customers	**2.7**	**359.6**	**65.7**	**25.8**	**-**	**-**	**453.8**	**-**
Gross profit	**1.6**	**162.5**	**28.0**	**13.4**	**-**	**-**	**205.5**	**-**
Gross margin (gross profit on sales/revenue from sales to external customers)	*59%*	*45%*	*43%*	*52%*	-	-	*45%*	-
SEGMENT PROFIT OR LOSS	**-0.2**	**25.7**	**2.6**	**-5.2**	**-**	**-**	**22.9**	**-**
Segment assets:				**July 31st 2022**				
Non-current assets (net of other financial assets and deferred tax assets)	-	117.8	18.2	45.3	-	-	181.3	-
Deferred tax assets	0.1	13.5	2.6	1.4	-	-	17.6	-
Inventories	-	-	-	5.2	-	-	5.2	-
in stores	-	-	-	5.2	-	-	5.2	-
in the central warehouse	-	-	-	-	-	-	-	-
Property, plant and equipment and intangible assets	-	94.2	18.0	6.3	-	-	118.5	-
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-	-3.0	-0.6	-5.5	-	-	-9.1	-

(all amounts in PLN million unless stated otherwise)

May 1st–July 31st 2022 unaudited, unreviewed	CCC omnichannel	eobuwie omnichannel	Modivo omnichannel	HalfPrice omnichannel	DeeZee	Other companies	CCC Group	Discontinued operations
Total CCC Group								
Total revenue	1,153.9	816.2	187.0	181.8	31.5	916.6	3,287.0	6.0
Revenue from inter-segment sales	-1.7	-18.7	-	-	-3.6	-888.2	-912.2	-
Revenue from sales to external customers	**1,152.2**	**797.5**	**187.0**	**181.8**	**27.9**	**28.4**	**2,374.8**	**6.0**
Gross profit	**625.1**	**340.8**	**78.5**	**82.5**	**15.4**	**-12.9**	**1,129.4**	**3.4**
Gross margin (gross profit on sales/revenue from sales to external customers)	*54%*	*43%*	*42%*	*45%*	*55%*	*-45%*	*48%*	*57%*
SEGMENT PROFIT OR LOSS	**136.2**	**61.6**	**9.3**	**-0.8**	**4.4**	**-15.5**	**195.2**	**-0.5**
including running costs of start-up stores				**1.8**				
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-93.3	-15.1	-1.1	-21.5	-0.2	-0.7	-131.9	-0.1
Poland								
Total revenue	712.3	305.0	67.4	146.5	31.5	916.6	2,179.3	-
Revenue from inter-segment sales	-	-18.7	-	-	-3.6	-888.2	-910.5	-
Revenue from sales to external customers	**712.3**	**286.3**	**67.4**	**146.5**	**27.9**	**28.4**	**1,268.8**	**-**
Gross profit	**372.1**	**111.7**	**27.7**	**63.5**	**15.4**	**-12.9**	**577.5**	**-**
Gross margin (gross profit on sales/revenue from sales to external customers)	*52%*	*39%*	*41%*	*43%*	*55%*	*-45%*	*46%*	-
SEGMENT PROFIT OR LOSS	**106.5**	**15.2**	**0.5**	**0.5**	**4.4**	**-15.5**	**111.6**	**-**
including running costs of start-up stores				**1.2**				
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-45.2	-11.6	-0.5	-14.7	-0.2	-0.7	-72.9	-
Central and Eastern Europe								
Total revenue	440.1	326.2	83.7	20.7	-	-	870.7	6.0
Revenue from inter-segment sales	-1.7	-	-	-	-	-	-1.7	-
Revenue from sales to external customers	**438.4**	**326.2**	**83.7**	**20.7**	**-**	**-**	**869.0**	**6.0**
Gross profit	**252.1**	**147.3**	**36.2**	**11.2**	**-**	**-**	**446.8**	**3.4**
Gross margin (gross profit on sales/revenue from sales to external customers)	*58%*	*45%*	*43%*	*54%*	-	-	*51%*	*57%*
SEGMENT PROFIT OR LOSS	**29.0**	**35.9**	**7.9**	**0.2**	**-**	**-**	**73.0**	**-0.5**
including running costs of start-up stores				**0.6**				
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-48.1	-3.1	-0.4	-4.6	-	-	-56.2	-0.1

(all amounts in PLN million unless stated otherwise)

Impairment losses on property, plant and equipment and intangible assets	-	-	-	-	-	-	-	0.7
Western Europe								
Total revenue	1.5	185.0	35.9	14.6	-	-	237.0	-
Revenue from inter-segment sales	-	-	-	-	-	-	-	-
Revenue from sales to external customers	**1.5**	**185.0**	**35.9**	**14.6**	**-**	**-**	**237.0**	**-**
Gross profit	**0.9**	**81.8**	**14.6**	**7.8**	**-**	**-**	**105.1**	**-**
Gross margin (gross profit on sales/revenue from sales to external customers)	*60%*	*44%*	*41%*	*53%*	-	-	*44%*	-
SEGMENT PROFIT OR LOSS	**0.7**	**10.5**	**0.9**	**-1.5**	**-**	**-**	**10.6**	**-**
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-	-0.4	-0.2	-2.2	-	-	-2.8	-

February 1st–July 31st 2021 unaudited, reviewed, restated*	**CCC** omnichannel	**eobuwie** omnichannel	**Modivo** omnichannel	**HalfPrice** omnichannel	**DeeZee**	**Other companies**	**CCC Group**	**Discontinued operations**
Total CCC Group								
Total revenue	1,649.4	1,394.0	191.6	40.2	55.1	1,401.8	4,732.1	136.5
Revenue from inter-segment sales	–	-20.3	–	–	–	-1,334.3	-1,354.6	–
Revenue from sales to external customers	**1,649.4**	**1,373.7**	**191.6**	**40.2**	**55.1**	**67.5**	**3,377.5**	**136.5**
Gross profit	**843.1**	**597.0**	**75.2**	**21.4**	**31.3**	**1.5**	**1,569.5**	**60.3**
Gross margin (gross profit on sales/revenue from sales to external customers)	*51%*	*43%*	*39%*	*53%*	*57%*	*2%*	*46%*	*44%*
SEGMENT PROFIT OR LOSS	**28.7**	**138.2**	**10.9**	**-2.9**	**6.4**	**-8.7**	**172.6**	**41.7**
Segment assets:	**July 31st 2021**							
Non-current assets (net of other financial assets and deferred tax assets)	2,062.2	613.3	40.0	101.9	8.8	203.7	3,029.9	72.7
Deferred tax assets	111.9	63.4	9.3	–	2.3	17.1	204.0	0.7
Inventories	1,481.5	687.7	119.5	103.8	24.6	–	2,417.1	39.8
in stores	639.1	70.8	–	72.8	24.6	–	807.3	39.8
in the central warehouse	842.4	616.9	119.5	31.0	–	–	1,609.8	–
Property, plant and equipment and intangible assets	813.2	445.2	39.0	38.1	5.8	190.1	1,531.4	21.2
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-217.5	-25.2	-1.9	-9.2	–	-0.4	-254.2	-7.9

(all amounts in PLN million unless stated otherwise)

Poland								
Total revenue	1,049.1	513.1	71.2	40.2	55.1	1,401.8	3,130.5	–
Revenue from inter-segment sales	–	-20.3	–	–	–	-1,334.3	-1,354.6	–
Revenue from sales to external customers	**1,049.1**	**492.8**	**71.2**	**40.2**	**55.1**	**67.5**	**1,775.9**	**–**
Gross profit	**518.8**	**189.7**	**25.2**	**21.4**	**31.3**	**1.5**	**787.9**	**–**
Gross margin (gross profit on sales/revenue from sales to external customers)	*49%*	*38%*	*35%*	*53%*	*57%*	*2%*	*44%*	-
SEGMENT PROFIT OR LOSS	**110.0**	**19.2**	**2.4**	**-2.9**	**6.4**	**-8.7**	**126.4**	**–**
Segment assets:				**July 31st 2021**				
Non-current assets (net of other financial assets and deferred tax assets)	1,116.7	282.0	16.0	101.9	8.8	203.7	1,729.1	–
Deferred tax assets	87.4	24.7	3.7	–	2.3	17.1	135.2	–
Inventories	1,152.2	638.6	119.5	103.8	24.6	–	2,038.7	–
in stores	309.8	61.8	–	72.8	24.6	–	469.0	–
in the central warehouse	842.4	576.8	119.5	31.0	–	–	1,569.7	–
Property, plant and equipment and intangible assets	585.0	184.9	15.4	38.1	5.8	190.1	1,019.3	–
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-103.2	-16.5	-0.7	-9.2	–	-0.4	-130.0	–
Central and Eastern Europe								
Total revenue	535.4	582.3	82.1	–	–	–	1,199.8	47.1
Revenue from inter-segment sales	–	–	–	–	–	–	–	–
Revenue from sales to external customers	**535.4**	**582.3**	**82.1**	**–**	**–**	**–**	**1,199.8**	**47.1**
Gross profit	**290.7**	**265.6**	**33.7**	**–**	**–**	**–**	**590.0**	**22.1**
Gross margin (gross profit on sales/revenue from sales to external customers)	*54%*	*46%*	*41%*	-	-	-	*49%*	*47%*
SEGMENT PROFIT OR LOSS	**-50.9**	**87.8**	**5.7**	**–**	**–**	**–**	**42.6**	**3.5**
Segment assets:				**July 31st 2021**				
Non-current assets (net of other financial assets and deferred tax assets)	815.8	222.3	16.3	–	–	–	1,054.4	72.7
Deferred tax assets	24.0	25.9	3.8	–	–	–	53.7	0.7
Inventories	308.6	49.1	–	–	–	–	357.7	39.8

(all amounts in PLN million unless stated otherwise)

in stores	308.6	9.0	–	–	–	–	317.6	39.8
in the central warehouse	–	40.1	–	–	–	–	40.1	–
Property, plant and equipment and intangible assets	224.5	174.7	16.2	–	–	–	415.4	21.2
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-101.2	-5.7	-0.8	–	–	–	-107.7	-7.9
Western Europe								
Total revenue	64.9	298.6	38.3	–	–	–	401.8	89.4
Revenue from inter-segment sales	–	–	–	–	–	–	–	–
Revenue from sales to external customers	**64.9**	**298.6**	**38.3**	**–**	**–**	**–**	**401.8**	**89.4**
Gross profit	**33.6**	**141.7**	**16.3**	**–**	**–**	**–**	**191.6**	**38.2**
Gross margin (gross profit on sales/revenue from sales to external customers)	*52%*	*47%*	*43%*	-	-	-	*48%*	*43%*
SEGMENT PROFIT OR LOSS	**-30.4**	**31.2**	**2.8**	**–**	**–**	**–**	**3.6**	**38.2**
Segment assets:				**July 31st 2021**				
Non-current assets (net of other financial assets and deferred tax assets)	129.7	109.0	7.7	–	–	–	246.4	–
Deferred tax assets	0.5	12.8	1.8	–	–	–	15.1	–
Inventories	20.7	–	–	–	–	–	20.7	–
in stores	20.7	–	–	–	–	–	20.7	–
in the central warehouse	–	–	–	–	–	–	–	–
Property, plant and equipment and intangible assets	3.7	85.6	7.4	–	–	–	96.7	–
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-13.1	-3.0	-0.4	–	–	–	-16.5	–

(all amounts in PLN million unless stated otherwise)

May 1st–July 31st 2021 unaudited, unreviewed, restated*	CCC omnichannel	eobuwie omnichannel	Modivo omnichannel	HalfPrice omnichannel	DeeZee	Other companies	CCC Group	Discontinued operations
Total CCC Group								
Total revenue	1,100.0	722.5	94.9	39.1	30.0	860.6	2,847.1	59.5
Revenue from inter-segment sales	1.4	-12.3	–	–	–	-836.0	-846.9	–
Revenue from sales to external customers	**1,101.4**	**710.2**	**94.9**	**39.1**	**30.0**	**24.6**	**2,000.2**	**59.5**
Gross profit	**574.8**	**309.4**	**36.2**	**20.8**	**16.7**	**1.2**	**959.1**	**19.3**
Gross margin (gross profit on sales/revenue from sales to external customers)	*52%*	*44%*	*38%*	*53%*	*56%*	*5%*	*48%*	*33%*
SEGMENT PROFIT OR LOSS	**126.5**	**73.4**	**5.5**	**-0.1**	**2.8**	**-5.3**	**202.8**	**13.2**
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-91.2	-13.5	-1.4	-9.2	-0.3	–	-115.6	-7.7
Poland								
Total revenue	673.9	278.1	36.5	39.1	30.0	860.6	1,918.2	–
Revenue from inter-segment sales	1.4	-12.3	–	–	–	-836.0	-846.9	–
Revenue from sales to external customers	**675.3**	**265.8**	**36.5**	**39.1**	**30.0**	**24.6**	**1,071.3**	**–**
Gross profit	**346.1**	**103.1**	**12.2**	**20.8**	**16.7**	**1.2**	**500.1**	**–**
Gross margin (gross profit on sales/revenue from sales to external customers)	*51%*	*39%*	*33%*	*53%*	*56%*	*5%*	*47%*	*0%*
SEGMENT PROFIT OR LOSS	**128.5**	**15.5**	**1.1**	**-0.1**	**2.8**	**-5.3**	**142.5**	**–**
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-46.4	-7.0	-0.5	-9.2	-0.3	–	-63.4	–
Central and Eastern Europe								
Total revenue	380.6	291.3	40.0	–	–	–	711.9	29.2
Revenue from inter-segment sales	–	–	–	–	–	–	–	–
Revenue from sales to external customers	**380.6**	**291.3**	**40.0**	**–**	**–**	**–**	**711.9**	**29.2**
Gross profit	**209.2**	**132.4**	**16.0**	**–**	**–**	**–**	**357.6**	**12.5**

(all amounts in PLN million unless stated otherwise)

Gross margin (gross profit on sales/revenue from sales to external customers)	*55%*	*45%*	*40%*	-	-	-	*50%*	*43%*
SEGMENT PROFIT OR LOSS	**24.2**	**43.9**	**3.1**	**–**	**–**	**–**	**71.2**	**6.4**
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-43.0	-4.3	-0.6	–	–	–	-47.9	-7.7
Western Europe								
Total revenue	45.5	153.1	18.4	–	–	–	217.0	30.3
Revenue from inter-segment sales	–	–	–	–	–	–	–	–
Revenue from sales to external customers	**45.5**	**153.1**	**18.4**	**–**	**–**	**–**	**217.0**	**30.3**
Gross profit	**19.5**	**73.9**	**8.0**	**–**	**–**	**–**	**101.4**	**6.8**
Gross margin (gross profit on sales/revenue from sales to external customers)	*43%*	*48%*	*43%*	-	-	-	*47%*	*22%*
SEGMENT PROFIT OR LOSS	**-26.2**	**14.0**	**1.3**	**–**	**–**	**–**	**-10.9**	**6.8**
Material income/(expenses):								
Depreciation/amortisation disclosed under costs of sale, costs of points of purchase and distribution	-1.8	–2.2	-0.3	–	–	–	-4.3	–

	February 1st–July 31st 2022			**February 1st–July 31st 2021**		
	unaudited, reviewed			**unaudited, reviewed, restated***		
	AGGREGATED SEGMENT DATA	**CONSOLIDATION ADJUSTMENTS**	**CONSOLIDATED FINANCIAL STATEMENTS**	**AGGREGATED SEGMENT DATA**	**CONSOLIDATION ADJUSTMENTS**	**CONSOLIDATED FINANCIAL STATEMENTS**
Total revenue	5,761.6	-1,515.0	4,246.6	4,732.1	-1,354.6	3,377.5
Revenue not allocated to segments	-	12.8	12.8	-	76.0	76.0
Revenue disclosed in financial statements	5,761.6	-1,502.2	4,259.4	4,732.1	-1,278.6	3,453.5
Cost of sales disclosed in financial statements	-3,709.4	1,502.2	-2,207.2	-3,162.6	1,354.6	-1,808.0
Cost of sales not allocated to segments (discontinued operations)	-	-	-	-	-76.0	-76.0
Gross profit (loss)	**2,052.2**	**-**	**2,052.2**	**1,569.5**	**-**	**1,569.5**
Costs of points of purchase and other distribution costs	-1,789.4	-	-1,789.4	-1,415.5	-	-1,415.5
Costs of points of purchase and other distribution costs not allocated to segments (discontinued operations)	-	-	-	-	18.6	18.6
SEGMENT PROFIT (LOSS)	**262.8**	**-**	**262.8**	**154.0**	**18.6**	**172.6**
Administrative expenses	-185.7	-	-185.7	-193.2	-	-193.2
Other income	27.1	-	27.1	25.6	-	25.6
Other expenses	-98.6	-	-98.6	-20.4	-	-20.4
Loss allowances (trade receivables)	-30.8	-	-30.8	-7.8	-	-7.8

(all amounts in PLN million unless stated otherwise)

Finance income	18.6	-	18.6	8.9	-	8.9
Loss allowances	-	-	-	-9.8	-	-9.8
Other finance costs	-205.2	-	-205.2	-63.7	-	-63.7
Share of profit (loss) of associates	-	-	-	0.1	-	0.1
Profit (loss) before tax	**-211.8**	**-**	**-211.8**	**-106.3**	**18.6**	**-87.7**
Material income (expenses):						
Amortisation of costs of points of purchase and other distribution costs	-269.5	-	-269.5	-255.9	-	-255.9
Impairment losses on property, plant and equipment, intangible assets, and right-of-use assets	-	-	-	-	-	-
Discontinued operations						
Total revenue	25.6	-	25.6	136.5	-	136.5
Cost of sales	-12.8	-	-12.8	-76.1	-	-76.1
Gross profit (loss)	**12.8**	**-**	**12.8**	**60.3**	**-**	**60.3**

	May 1st–July 31st 2022			**May 1st–July 31st 2021**		
	unaudited, unreviewed			**unaudited, unreviewed, restated***		
	AGGREGATED SEGMENT DATA	**CONSOLIDATION ADJUSTMENTS**	**CONSOLIDATED FINANCIAL STATEMENTS**	**AGGREGATED SEGMENT DATA**	**CONSOLIDATION ADJUSTMENTS**	**CONSOLIDATED FINANCIAL STATEMENTS**
Total revenue	3,287.0	-912.2	2,374.8	2,847.1	-846.9	2,000.2
Revenue not allocated to segments	-	2.6	2.6	-	33.2	33.2
Revenue disclosed in financial statements	3,287.0	-909.6	2,377.4	2,847.1	-813.7	2,033.4
Cost of sales disclosed in financial statements	-2,157.6	912.2	-1,245.4	-1,888.0	846.9	-1,041.1
Cost of sales not allocated to segments (discontinued operations)	-	-2.6	-2.6	-	-33.2	-33.2
Gross profit (loss)	**1,129.4**	**-**	**1,129.4**	**959.1**	**-**	**959.1**
Costs of points of purchase and other distribution costs	-934.2	-	-934.2	-756.3	-	-756.3
Costs of points of purchase and other distribution costs not allocated to segments (discontinued operations)	-	-1.2	-1.2	-	-	-
SEGMENT PROFIT (LOSS)	**195.2**	**-1.2**	**194.0**	**202.8**	**-**	**202.8**
Administrative expenses	-92.1	-	-92.1	-122.0	-	-122.0
Other income	18.4	-	18.4	6.1	-	6.1
Other expenses	-58.6	-	-58.6	-1.3	-	-1.3
Loss allowances (trade receivables)	-30.4	-	-30.4	-7.8	-	-7.8
Finance income	17.9	-	17.9	2.1	-	2.1
Loss allowances	-	-	-	-4.6	-	-4.6
Other finance costs	-106.5	-	-106.5	-31.4	-	-31.4
Share of profit (loss) of associates	-	-	-	-1.5	-	-1.5
Profit (loss) before tax	**-56.1**	**-1.2**	**-57.3**	**42.4**	**-**	**42.4**
Material income (expenses):						
Depreciation/amortisation of costs of sales and costs of points of purchase and distribution	-133.9	-	-133.9	-135.9	-	-135.9

(all amounts in PLN million unless stated otherwise)

Impairment losses on property, plant and equipment, intangible assets, and right-of-use assets	-	-	-	-	-	-
Discontinued operations						
Total revenue	6.0	-	6.0	59.5	-	59.5
Cost of sales	-2.6	-	-2.6	-40.1	-	-40.1
Gross profit (loss)	**3.4**	**-**	**3.4**	**19.3**	**-**	**19.3**

	July 31st 2022			January 31st 2022		
	unaudited, reviewed			audited		
	AGGREGATED SEGMENT DATA	CONSOLIDATION ADJUSTMENTS	CONSOLIDATED FINANCIAL STATEMENTS	AGGREGATED SEGMENT DATA	CONSOLIDATION ADJUSTMENTS	CONSOLIDATED FINANCIAL STATEMENTS
Segment assets:						
Non-current assets (net of other financial assets and deferred tax assets)	3,248.0	–	3,248.0	3,138.9	68.2	3,207.1
Deferred tax assets	179.8	–	179.8	175.5	-	175.5
Inventories	2,950.7	–	2,950.7	2,582.2	43.6	2,625.8
Property, plant and equipment and intangible assets	1,719.0	–	1,719.0	1,586.7	19.9	1,606.6

(all amounts in PLN million unless stated otherwise)

Segment assets:	July 31st 2022	January 31st 2022
	unaudited, reviewed	audited
CCC omnichannel	3,350.9	2,732.1
eobuwie omnichannel	1,715.7	1,468.7
Modivo omnichannel	395.1	311.0
Halfprice omnichannel	653.0	357.8
DeeZee	34.5	37.8
Other companies	229.3	1,101.0
TOTAL AGGREGATED SEGMENT DATA	**6,378.5**	**6,008.4**
DISCONTINUED OPERATIONS	–	–
Eliminations between segments	–	–
Unallocated:		
Deferred tax assets	–	–
Other financial assets	11.2	11.2
Trade receivables	165.8	226.1
Income tax receivable	39.7	17.2
Other receivables	278.4	293.4
Cash and cash equivalents	710.1	941.1
Derivative financial instruments	0.5	3.1
Lease receivables	0.3	0.2
Total assets as disclosed in statement of financial position	**7,584.5**	**7,500.7**

(all amounts in PLN million unless stated otherwise)

NON-CURRENT ASSETS (NET OF OTHER FINANCIAL ASSETS AND DEFERRED TAX)	July 31st 2022	January 31st 2022
	unaudited, reviewed	audited
Poland	1,996.8	1,860.1
Switzerland	5.9	5.9
Czech Republic	234.4	252.3
Hungary	195.7	222.9
Romania	240.2	250.5
Slovakia	95.5	99.8
Austria	46.3	54.2
Russia	–	68.2
Croatia	62.5	68.8
Slovenia	72.9	45.0
Serbia	52.2	53.1
Bulgaria	74.3	75.0
Lithuania	20.2	20.6
Latvia	16.1	–
Greece	44.8	47.2
Italy	27.1	23.4
Germany	44.6	36.1
Other	18.5	24.0
Total non-current assets (excluding other financial assets and deferred tax)	**3,248.0**	**3,207.1**
Deferred tax	179.8	175.5
Other financial assets	11.2	11.2
Total non-current assets	**3,439.0**	**3,393.8**

(all amounts in PLN million unless stated otherwise)

Revenue by geographical segment and by country:

February 1st–July 31st 2022		Offline			Digital						Other	Total CCC Group	Discontinued operations
unaudited, reviewed		CCC	HalfPrice	Total	CCC	Modivo		DeeZee	HalfPrice	Total			
Markets / Segments						eobuwie	Modivo						
Poland	**Poland**	**940.2**	**229.7**	**1,169.9**	**280.6**	**558.2**	**128.7**	**53.9**	**11.3**	**1,032.7**	**67.8**	**2,270.4**	**–**
Central and Eastern Europe	Czech Republic	146.1	8.9	155.0	28.3	125.8	26.6	–	–	180.7	–	335.7	–
	Slovakia	84.0	2.7	86.7	17.3	58.3	14.6	–	–	90.2	–	176.9	–
	Hungary	119.2	11.0	130.2	22.0	107.5	17.6	–	–	147.1	–	277.3	–
	Romania	127.4	–	127.4	22.7	153.1	54.0	–	–	229.8	–	357.2	–
	Bulgaria	26.8	–	26.8	3.7	78.7	25.8	–	–	108.2	–	135.0	–
	Slovenia	28.3	6.0	34.3	1.9	12.4	0.2	–	–	14.5	–	48.8	–
	Croatia	46.2	4.9	51.1	3.2	34.7	4.7	–	–	42.6	–	93.7	–
	Lithuania	2.1	–	2.1	–	44.0	11.3	–	–	55.3	–	57.4	–
	Latvia	3.5	–	3.5	–	8.2	0.2	–	–	8.4	–	11.9	–
	Estonia	4.0	–	4.0	–	0.5	–	–	–	0.5	–	4.5	–
	Russia	–	–	–	–	–	–	–	–	–	–	–	25.6
	Serbia	22.4	–	22.4	–	–	–	–	–	–	–	22.4	–
	Ukraine	–	–	–	–	1.6	–	–	–	1.6	–	1.6	–
	Total	**610.0**	**33.5**	**643.5**	**99.1**	**624.8**	**155.0**	**–**	**–**	**878.9**	**–**	**1,522.4**	**25.6**
Western Europe	Austria	–	25.8	25.8	1.7	2.8	0.3	–	–	4.8	–	30.6	–
	Switzerland	–	–	–	–	23.4	–	–	–	23.4	–	23.4	–
	Germany	–	–	–	–	116.9	17.4	–	–	134.3	–	134.3	–
	France	–	–	–	–	25.8	4.4	–	–	30.2	–	30.2	–
	Spain	–	–	–	–	7.8	–	–	–	7.8	–	7.8	–
	Italy	–	–	–	–	73.1	10.8	–	–	83.9	–	83.9	–
	Sweden	–	–	–	–	2.4	–	–	–	2.4	–	2.4	–
	Greece	–	–	–	1.0	107.4	32.8	–	–	141.2	–	141.2	–
	Total	**–**	**25.8**	**25.8**	**2.7**	**359.6**	**65.7**	**–**	**–**	**428.0**	**–**	**453.8**	**–**
CCC Group	**Total**	**1,550.2**	**289.0**	**1,839.2**	**382.4**	**1,542.6**	**349.4**	**53.9**	**11.3**	**2,339.6**	**67.8**	**4,246.6**	**25.6**

(all amounts in PLN million unless stated otherwise)

February 1st–July 31st 2021		Offline			Digital					Other	Total CCC Group	Discontinued operations
unaudited, reviewed, restated*		CCC	HalfPrice	Total	CCC	Modivo		DeeZee	Total			
Markets / Segments						eobuwie	Modivo					
Poland	**Poland**	**896.9**	**40.2**	**937.1**	**152.3**	**492.8**	**71.2**	**55.1**	**771.4**	**67.5**	**1,776.0**	**–**
Central and Eastern Europe	Czech Republic	79.2	–	79.2	19.7	111.5	14.4	–	145.6	–	224.8	–
	Slovakia	63.9	–	63.9	15.5	70.3	12.4	–	98.2	–	162.1	–
	Hungary	98.7	–	98.7	19.1	93.6	8.9	–	121.6	–	220.3	–
	Romania	119.6	–	119.6	12.5	131.8	22.6	–	166.9	–	286.5	–
	Bulgaria	21.5	–	21.5	0.5	71.7	11.9	–	84.1	–	105.6	–
	Slovenia	27.1	–	27.1	0.8	2.1	–	–	2.9	–	30.0	–
	Croatia	39.6	–	39.6	–	23.7	1.6	–	25.3	–	64.9	–
	Lithuania	–	–	–	–	55.9	7.8	–	63.7	–	63.7	–
	Latvia	–	–	–	–	–	–	–	–	–	–	–
	Estonia	–	–	–	–	–	–	–	–	–	–	–
	Russia	–	–	–	–	–	–	–	–	–	–	47.1
	Serbia	17.6	–	17.6	–	–	–	–	–	–	17.6	–
	Ukraine	–	–	–	–	21.7	2.5	–	24.2	–	24.2	–
	Total	**467.2**	**–**	**467.2**	**68.1**	**582.3**	**82.1**	**–**	**732.5**	**–**	**1,199.7**	**47.1**
Western Europe	Austria	62.9	–	62.9	2.0	–	–	–	2.0	–	64.9	–
	Switzerland	–	–	–	–	18.2	–	–	18.2	–	18.2	89.4
	Germany	–	–	–	–	86.3	6.7	–	93.0	–	93.0	–
	France	–	–	–	–	20.8	1.9	–	22.7	–	22.7	–
	Spain	–	–	–	–	5.7	–	–	5.7	–	5.7	–
	Italy	–	–	–	–	52.8	3.6	–	56.4	–	56.4	–
	Sweden	–	–	–	–	4.0	–	–	4.0	–	4.0	–
	Greece	–	–	–	–	110.8	26.1	–	136.9	–	136.9	–
	Total	**62.9**	**–**	**62.9**	**2.0**	**298.6**	**38.3**	**–**	**338.9**	**–**	**401.8**	**89.4**
CCC Group	**Total**	**1,427.0**	**40.2**	**1,467.2**	**222.4**	**1,373.7**	**191.6**	**55.1**	**1,842.8**	**67.5**	**3,377.5**	**136.5**

(all amounts in PLN million unless stated otherwise)

May 1st–July 31st 2022		Offline			Digital						Other	Total CCC Group	Discontinued operations
unaudited, unreviewed		CCC	HalfPrice	Total	CCC	Modivo		DeeZee	HalfPrice	Total			
Markets / Segments						eobuwie	Modivo						
Poland	**Poland**	**546.6**	**139.4**	**686.0**	**165.7**	**286.3**	**67.4**	**27.9**	**7.1**	**554.4**	**28.4**	**1,268.8**	**–**
Central and Eastern Europe	Czech Republic	86.1	5.2	91.3	19.5	67.7	14.6	–	–	101.8	–	193.1	–
	Slovakia	51.9	1.5	53.4	12.3	31.0	7.5	–	–	50.8	–	104.2	–
	Hungary	67.7	5.4	73.1	11.7	50.4	8.2	–	–	70.3	–	143.4	–
	Romania	76.8	–	76.8	16.7	78.9	31.1	–	–	126.7	–	203.5	–
	Bulgaria	17.4	–	17.4	2.5	42.3	13.9	–	–	58.7	–	76.1	–
	Slovenia	17.5	6.0	23.5	1.3	6.6	0.2	–	–	8.1	–	31.6	–
	Croatia	30.6	2.6	33.2	2.2	20.0	2.8	–	–	25.0	–	58.2	–
	Lithuania	2.1	–	2.1	–	22.1	5.8	–	–	27.9	–	30.0	–
	Latvia	3.5	–	3.5	–	5.3	0.2	–	–	5.5	–	9.0	–
	Estonia	4.0	–	4.0	–	0.5	–	–	–	0.5	–	4.5	–
	Russia	–	–	–	–	–	–	–	–	–	–	–	6.0
	Serbia	14.6	–	14.6	–	–	–	–	–	–	–	14.6	–
	Ukraine	–	–	–	–	1.4	-0.6	–	–	0.8	–	0.8	–
	Total	**372.2**	**20.7**	**392.9**	**66.2**	**326.2**	**83.7**	**–**	**–**	**476.1**	**–**	**869.0**	**6.0**
Western Europe	Austria	–	14.6	14.6	0.9	2.8	0.3	–	–	4.0	–	18.6	–
	Switzerland	–	–	–	–	8.7	–	–	–	8.7	–	8.7	–
	Germany	–	–	–	–	50.8	8.9	–	–	59.7	–	59.7	–
	France	–	–	–	–	14.6	2.4	–	–	17.0	–	17.0	–
	Spain	–	–	–	–	4.1	–	–	–	4.1	–	4.1	–
	Italy	–	–	–	–	44.1	5.9	–	–	50.0	–	50.0	–
	Sweden	–	–	–	–	1.2	–	–	–	1.2	–	1.2	–
	Greece	–	–	–	0.6	58.7	18.4	–	–	77.7	–	77.7	–
	Total	**–**	**14.6**	**14.6**	**1.5**	**185.0**	**35.9**	**–**	**–**	**222.4**	**–**	**237.0**	**–**
CCC Group	**Total**	**918.8**	**174.7**	**1,093.5**	**233.4**	**797.5**	**187.0**	**27.9**	**7.1**	**1,252.9**	**28.4**	**2,374.8**	**6.0**

(all amounts in PLN million unless stated otherwise)

May 1st–July 31st 2021		Offline			Digital					Other	Total CCC Group	Discontinued operations
unaudited, unreviewed, restated*						Modivo						
Markets / Segments		CCC	HalfPrice	Total	CCC	eobuwie	Modivo	DeeZee	Total			
Poland	**Poland**	**609.1**	**39.1**	**648.2**	**66.2**	**265.8**	**36.5**	**30.0**	**398.5**	**24.6**	**1,071.3**	**–**
Central and Eastern Europe	Czech Republic	78.6	–	78.6	6.7	49.7	6.1	–	62.5	–	141.1	–
	Slovakia	55.3	–	55.3	4.9	30.5	5.5	–	40.9	–	96.2	–
	Hungary	71.3	–	71.3	9.4	49.0	4.6	–	63.0	–	134.3	–
	Romania	75.1	–	75.1	7.1	70.0	11.7	–	88.8	–	163.9	–
	Bulgaria	15.3	–	15.3	0.5	38.4	5.9	–	44.8	–	60.1	–
	Slovenia	16.9	–	16.9	0.8	2.1	–	–	2.9	–	19.8	–
	Croatia	25.7	–	25.7	–	12.9	1.1	–	14.0	–	39.7	–
	Lithuania	–	–	–	–	26.8	3.3	–	30.1	–	30.1	–
	Latvia	–	–	–	–	–	–	–	–	–	–	–
	Estonia	–	–	–	–	–	–	–	–	–	–	–
	Russia	–	–	–	–	–	–	–	–	–	–	29.2
	Serbia	13.0	–	13.0	–	–	–	–	–	–	13.0	–
	Ukraine	–	–	–	–	11.9	1.8	–	13.7	–	13.7	–
	Total	**351.2**	**–**	**351.2**	**29.4**	**291.3**	**40.0**	**–**	**360.7**	**–**	**711.9**	**29.2**
Western Europe	Austria	44.7	–	44.7	0.8	–	–	–	0.8	–	45.5	–
	Switzerland	–	–	–	–	8.6	–	–	8.6	–	8.6	30.3
	Germany	–	–	–	–	46.2	3.6	–	49.8	–	49.8	–
	France	–	–	–	–	11.2	0.9	–	12.1	–	12.1	–
	Spain	–	–	–	–	2.4	–	–	2.4	–	2.4	–
	Italy	–	–	–	–	28.8	1.9	–	30.7	–	30.7	–
	Sweden	–	–	–	–	1.9	–	–	1.9	–	1.9	–
	Greece	–	–	–	–	54.0	12.0	–	66.0	–	66.0	–
	Total	**44.7**	**–**	**44.7**	**0.8**	**153.1**	**18.4**	**–**	**172.3**	**–**	**217.0**	**30.3**
CCC Group	**Total**	**1,005.0**	**39.1**	**1,044.1**	**96.4**	**710.2**	**94.9**	**30.0**	**931.5**	**24.6**	**2,000.2**	**59.5**

The revenue data presented above is based on:
- the offline segment – store location,
- for the digital (e-commerce) segment – the country to which purchased goods are shipped.

(all amounts in PLN million unless stated otherwise)

3. NOTES TO THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

3.1. REVENUE

Revenue from contracts with customers by category is presented below.

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed, restated*	unaudited, unreviewed, restated*
Revenue				
Footwear	1,404.0	838.3	1,344.3	941.6
Bags	110.4	67.0	81.1	56.5
Clothing	164.1	99.2	23.4	22.5
Other [1]	160.8	89.1	105.4	81.7
Retail	**1,839.3**	**1,093.6**	**1,554.2**	**1,102.3**
Footwear	1,809.5	981.8	1,347.3	664.7
Bags	161.1	87.9	94.8	46.5
Clothing	293.0	153.6	269.0	148.3
Other [1]	76.0	29.7	69.8	28.7
Digital	**2,339.6**	**1,253.0**	**1,780.9**	**888.2**
Wholesale	**80.5**	**30.8**	**118.4**	**42.9**
Total	**4,259.4**	**2,377.4**	**3,453.5**	**2,033.4**

[1] 'Other' includes primarily (by value): shoe care products, insoles, belts, wallets, socks, jewellery and accessories, homeware and beauty products.

The Group conducts retail and digital sales to retail customers, and sales to none of the customers exceeded 10% of total revenue.

Revenue was reduced following the recognition of a PLN 4.7m liability under contracts with customers (in the corresponding period of the previous year the liability was PLN 2.2m). As at the reporting date, the liability under contracts with customers amounted to PLN 9.8m, compared with PLN 14.5m as at January 31st 2022.

(all amounts in PLN million unless stated otherwise)

3.2. COSTS BY NATURE OF EXPENSE

February 1st–July 31st 2022	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
unaudited, reviewed				
Cost of merchandise sold	-2,171.7	–	–	-2,171.7
Raw material and consumables used	-1.5	-86.2	-14.8	-102.5
Inventory write-downs	-19.4	–	–	-19.4
Salaries, wages and employee benefits	-4.8	-479.8	-87.4	-572.0
Transport services	–	-229.8	-0.2	-230.0
Other rental costs – utilities and other variable costs	–	-155.6	-13.1	-168.7
Advertising	-5.3	-320.4	-1.7	-327.4
Depreciation	-2.0	-267.5	-24.0	-293.5
Taxes and charges	-0.4	-19.6	-2.8	-22.8
Other expenses	-1.6	-230.5	-41.7	-273.8
Change in products and work in progress	-0.5	–	–	-0.5
Total	**-2,207.2**	**-1,789.4**	**-185.7**	**-4,182.3**

May 1st–July 31st 2022	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
unaudited, unreviewed				
Cost of merchandise sold	-1,214.2	–	–	-1,214.2
Raw material and consumables used	-1.3	-39.5	-6.3	-47.1
Inventory write-downs	-18.1	–	–	-18.1
Salaries, wages and employee benefits	-4.8	-247.6	-44.0	-296.4
Transport services	–	-124.8	-0.2	-125.0
Other rental costs – utilities and other variable costs	–	-82.7	-7.1	-89.8
Advertising	-5.3	-112.7	-1.3	-119.3
Depreciation	-2.0	-131.9	-13.8	-147.7
Taxes and charges	-0.4	-11.3	-1.6	-13.3
Other expenses	-1.6	-184.9	-17.8	-204.3
Change in products and work in progress	-0.3	–	–	-0.3
Total	**-1,248.0**	**-935.4**	**-92.1**	**-2,275.5**

(all amounts in PLN million unless stated otherwise)

February 1st–July 31st 2021	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
unaudited, reviewed, restated*				
Cost of merchandise sold	-1,796.5	–	–	-1,796.5
Raw material and consumables used	-56.3	-63.1	-9.3	-128.7
Inventory write-downs	1.8	–	–	1.8
Salaries, wages and employee benefits	-23.7	-324.9	-74.4	-423.0
Transport services	-0.5	-192.4	–	-192.9
Other rental costs – utilities and other variable costs	–	-94.9	-10.9	-105.8
Advertising	-1.4	-246.5	-14.6	-262.5
Depreciation	-1.7	-254.2	-23.9	-279.8
Taxes and charges	-0.5	-14.1	-4.1	-18.7
Other expenses	–	-206.8	-56.0	-262.8
Change in products and work in progress	-5.2	–	–	-5.2
Total	**-1,884.0**	**-1,396.9**	**-193.2**	**-3,474.1**

* Due to the presentation of discontinued operations in the current-period data and change of cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

May 1st–July 31st 2021	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
unaudited, unreviewed, restated*				
Cost of merchandise sold	-1,022.5	–	–	-1,022.5
Raw material and consumables used	-31.9	-35.9	-5.4	-73.2
Inventory write-downs	-1.1	–	–	-1.1
Salaries, wages and employee benefits	-14.2	-169.6	-51.0	-234.8
Transport services	-0.3	-104.2	–	-104.5
Other rental costs – utilities and other variable costs	–	-52.4	-5.6	-58.0
Advertising	-0.8	-65.7	-6.6	-73.1
Depreciation	-1.2	-134.7	-11.7	-147.6
Taxes and charges	-0.2	-9.0	-3.1	-12.3
Other expenses	–	-184.8	-38.6	-223.4
Change in products and work in progress	-2.1	–	–	-2.1
Total	**-1,074.3**	**-756.3**	**-122.0**	**-1,952.6**

* Due to the presentation of discontinued operations in the current-period data and change of cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

(all amounts in PLN million unless stated otherwise)

3.3. OTHER INCOME AND EXPENSES, FINANCE INCOME AND COSTS

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed, restated*	unaudited, unreviewed, restated*
Other expenses				
Loss on disposal of property, plant and equipment	-8.6	-6.7	-1.7	0.4
Recognised provisions	–	0.9	–	–
Interest and penalties	-5.7	-5.7	–	–
Other	-14.8	-10.3	-4.5	5.5
Foreign exchange losses on items other than debt	-69.5	-36.8	-14.2	-7.2
Total other expenses	**-98.6**	**-58.6**	**-20.4**	**-1.3**

*As data for the current reporting period includes discontinued operations, the comparative data was restated.

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed, restated*	unaudited, unreviewed, restated*
Other income				
Compensation	2.0	0.7	0.9	0.2
PFRON wage subsidies	1.8	0.9	1.8	1.0
Gain on settlement of leasehold improvements with landlords	2.2	1.1	–	–
Gain on settlement of lease contracts	12.2	11.4	13.2	–
Grants	0.4	0.2	1.0	-1.6
Other	8.5	4.1	8.7	6.5
Total other income	**27.1**	**18.4**	**25.6**	**6.1**

* As data for the current reporting period includes discontinued operations, the comparative data was restated.

(all amounts in PLN million unless stated otherwise)

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed, restated*	unaudited, unreviewed, restated*
Finance costs				
Interest on borrowings and bonds	-130.4	-66.4	-16.6	-11.1
Interest of leases	-17.7	-8.7	-24.5	-12.1
Foreign exchange gains (losses)	-35.3	-14.4	0.4	-0.3
Commission fees	-3.7	-1.7	-8.4	-6.4
Valuation of options to purchase non-controlling interests	-1.4	-0.7	-13.6	-5.3
Measurement of derivative financial instruments (embedded derivatives)	–	–	-1.0	-1.0
Derivative financial instruments embedded in bonds convertible into Modivo shares – voluntary conversion option	-12.2	-12.2	–	–
Other finance costs	-4.5	-2.4	–	4.8
Total finance costs	**-205.2**	**-106.5**	**-63.7**	**-31.4**

* As data for the current reporting period includes discontinued operations, the comparative data was restated.

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed, restated*	unaudited, unreviewed, restated*
Finance income				
Interest income on cash in current account and loans, and other interest income	1.0	0.4	8.6	4.3
Foreign exchange gains (losses)	–	–	–	-1.4
Other finance income	0.3	0.2	0.3	-0.8
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	11.1	11.1	–	–
Valuation of options to purchase non-controlling interests	6.2	6.2	–	–
Total finance income	**18.6**	**17.9**	**8.9**	**2.1**

* As data for the current reporting period includes discontinued operations, the comparative data was restated.

Items reported under finance income: derivative financial instruments embedded in bonds issued to PFR – Equity Kicker, derivative financial instruments embedded in bonds convertible into Modivo shares – voluntary conversion option, and valuation of the option to purchase non-controlling interests, are described in more detail in Note 6.1.

(all amounts in PLN million unless stated otherwise)

Impairment of property, plant and equipment, intangible assets, goodwill and rights-of-use assets

As at July 31st 2022, the Group analysed indications of asset impairment. The analysis consisted, *inter alia*, in reviewing forecasts prepared as part of the impairment tests concerning store assets and other assets, performed as at January 31st 2022, against actual performance to date. Following the analysis, the Group identified indications of impairment and tested for impairment some of the stores which have been in operation for 30 or more months and which reported pre-tax losses for each of the last two years of their operation, and also tested for impairment the Gino Rossi trademark. The tests did not reveal any impairment.
The recoverable amount of the cash generating unit to which the trademark with indefinite useful life was allocated was determined based on the value in use calculated on the basis of a cash flow forecast derived from five-year financial budgets.
The main assumptions used to determine the value in use were:

- the level of merchandise distribution costs,
- impact of changes in revenue on direct costs,
- the amount of investment expenditure,
- a discount rate based on the weighted average cost of capital and reflecting the current market assessment of the time value of money and the business risk.

The assumptions are consistent with the Management Board's knowledge as at the test date. The increase in average EBITDA margin and expected sales growth (CAGR) were revised in line with the CCC Group's GO.25 strategy.

July 31st 2022	Gino Rossi
Discount rate	11.1%
Average EBITDA margin during the forecast period	4.7%
Expected EBITDA CAGR during the forecast period	28.8%
Residual growth rate	2.0%

The test did not indicate any need to recognise an impairment loss on the Gino Rossi trademark. Management believes that no reasonably possible change to any of the key assumptions of the tests will result in the carrying amount of the tested trademark exceeding significantly its recoverable amount.

(all amounts in PLN million unless stated otherwise)

3.4. TAXATION

TAX ON TRANSACTIONS ON CIVIL LAW

On April 11th 2019, CCC.eu sp. z o.o. received a decision of tax authorities to initiate tax proceedings to determine the amount of tax liability arising from acquisition of an organised part of business. On August 23rd 2019, the Company received a decision from the tax office stating that the Company, in calculating and paying the tax on civil law transactions, understated its amount by PLN 21,160,496.00. The decision was upheld by a higher instance authority. The Company appealed against the decision. Although the proceedings were not closed, the Company recognised a tax liability in the 2019 accounts of PLN 21,160,496.00 plus interest of PLN 7,040,050.00. The Company filed a complaint against the decision of the Director of the Tax Administration Chamber with the Provincial Administrative Court in Wrocław. The Court overturned the decision of the Tax Administration Chamber. The parties filed cassation complaints.
On May 12th 2022, the Supreme Administrative Court dismissed the Company's cassation complaint and granted the cassation complaint filed by the Chamber. As a result of the dispute resolution, the Company is obliged to pay tax on transactions under civil law plus interest. The Company recognised an additional provision for interest expense of PLN 4.1m. On June 6th 2022, CCC.eu Sp. z o.o. filed a request to be permitted to pay the tax arrears and interest in instalments, and concurrently made a partial payment of PLN 5.0m. On July 13th 2022, the Company received a decision permitting it to pay the liability on account of tax on transactions under civil law, in the amount of PLN 17.1m plus interest of PLN 10.1m, in seven instalments payable each month from August 1st 2022 to February 1st 2023.
As at the reporting date, the amount of the liability plus interest was PLN 27.2m (January 31st 2022: PLN 28.0m), including the principal amount of PLN 17.1m and interest of PLN 10.1m, which is presented under 'Other liabilities'.
The Company has taken steps to seek further means of appeal in the above case.

	February 1st–July 31st 2022	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed, restated*
Current income tax expense	-5.3	-50.6
Adjustments to current income tax for prior years	–	-7.2
Deferred tax	2.9	53.1
Income tax recognised in statement of comprehensive income	**-2.4**	**-4.7**
Current tax recognised in profit or loss	5.3	57.8
Balance of CIT liabilities/(receivables) at beginning of period	11.0	17.0
Balance of CIT receivables/(liabilities) at end of period	39.4	-4.2
Other changes	4.2	-0.8
Tax paid recognised in statement of cash flows	**59.9**	**69.8**

(all amounts in PLN million unless stated otherwise)

TAX RATES APPLIED AND RECONCILIATION OF INCOME TAX EXPENSE

The table below shows the countries in which the Group earns highest taxable income, with tax rates applicable in the jurisdictions.

	February 1st–July 31st 2022	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed, restated*
Poland	19.00%	19.00%
Czech Republic	19.00%	19.00%
Hungary	10.00%	10.00%
Slovakia	22.00%	22.00%
Other countries	8.47% - 25%	8.47% - 25%
Weighted average rate of income tax	**19.00%**	**19.00%**

Income tax on profit before tax of the Group differs from the theoretical amount that would have been assessed using the weighted average tax rate applicable to consolidated profits of the companies.

	February 1st–July 31st 2022	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed, restated*
Profit (loss) before tax	**-202.4**	**-88.7**
including profit (loss) from continuing operations	-211.8	-87.7
including profit (loss) from discontinued operations	9.4	-1.0
Weighted average tax rate	19%	19%
Tax calculated at weighted average tax rate	38.5	16.8
Tax effects of the following items:		
non-taxable income	–	1.9
other non-deductible expenses (permanent differences)	-7.3	-5.4
realisation of the temporary difference for which no deferred tax was recognised	–	53.9
tax relating to previous year	–	-7.2
transaction involving 20% of Modivo S.A. shares	–	-26.6
tax losses with respect to which no deferred tax assets were recognised	-26.4	-28.9
temporary differences with respect to which no deferred tax assets were recognised	-16.1	-16.5
other adjustments	4.6	8.9
Income tax expense	**-6.7**	**-3.1**
including continuing operations	-2.4	-4.7
including discontinued operations	-4.3	1.6

(all amounts in PLN million unless stated otherwise)

BALANCES OF AND CHANGES IN DEFERRED TAX

Changes in deferred tax assets and liabilities during the year are presented below.

unaudited, reviewed	July 31st 2022	RECOGNISED / (CHARGED) ON PROFIT OR LOSS	February 1st 2022
Assets			
Trademarks	11.4	-2.0	13.4
Inventories – adjustment of margin on intra-group sales	9.2	-1.0	10.2
Impairment of assets: inventories and receivables	4.0	2.7	1.3
Impairment of property, plant and equipment (leasehold improvements), rights-of-use assets and intangible assets	1.6	-0.4	2.0
Provisions for liabilities	17.4	-13.3	30.7
Special economic zone relief	51.3	-2.0	53.3
Other	39.4	16.8	22.6
Tax losses	0.3	–	0.3
Measurement of lease contracts	57.5	10.5	47.0
Total before offset	**192.1**	**11.3**	**180.8**
Liabilities	–	–	–
Accelerated tax depreciation of property, plant and equipment	0.6	-3.5	4.1
Accrued interest	–	0.1	-0.1
Other	14.7	11.7	3.0
Purchase of intangible assets disclosed on acquisition of subsidiaries	37.3	0.2	37.1
Total before offset	**52.6**	**8.5**	**44.1**
Offset	12.3	7.0	5.3
Deferred tax balances as disclosed in statement of financial position	–	–	–
Assets	179.8	4.3	175.5
Liabilities	40.3	1.5	38.8

audited	January 31st 2022	RECOGNISED / (CHARGED) ON PROFIT OR LOSS	February 1st 2021
Assets			
Trademarks	13.4	-4.1	17.5
Inventories – adjustment of margin on intra-group sales	10.2	-1.0	11.2
Impairment of assets: inventories and receivables	1.3	0.3	1.0
Impairment of property, plant and equipment (leasehold improvements), rights-of-use assets and intangible assets	2.0	-0.7	2.7
Provisions for liabilities	30.7	14.3	16.4
Special economic zone relief	53.3	-4.9	58.2
Other	22.6	15.5	7.1
Tax losses	0.3	0.3	–
Measurement of lease contracts	47.0	-2.6	49.6
Total before offset	**180.8**	**17.1**	**163.7**
Liabilities			

Accelerated tax depreciation of property, plant and equipment	4.1	-1.4	5.5
Accrued interest	-0.1	-4.1	4.0
Other	3.0	0.5	2.5
Purchase of intangible assets disclosed on acquisition of subsidiaries	37.1	-0.5	37.6
Total before offset	**44.1**	**-5.5**	**49.6**
Offset	5.3	-6.3	11.6
Deferred tax balances as disclosed in statement of financial position	–	–	–
Assets	175.5	23.4	152.1
Liabilities	38.8	0.8	38.0

SIGNIFICANT ESTIMATES REGARDING RECOGNITION OF DEFERRED TAX ASSETS. UNRECOGNISED DEFERRED TAX ASSETS

Realisation and reversal of temporary differences requires the Management Board to make significant estimates in respect of the expected taxable results of each Group entity. Recognition of deferred tax assets in excess of the recognised deferred tax liabilities indicates that it is probable that the Group will be able to realise future economic benefits.

The Management Board of CCC S.A. estimated the recoverable amount of deferred tax assets in the current and previous years. The assessment primarily included an analysis of taxable profit based on from historical data and an analysis of the growth forecasts for the Group companies. Following an assessment of the potential use of tax losses at CCC.eu Sp. z o.o., Gino Rossi S.A., CCC Shoes & Bags d.o.o. Beograd, the Management Board decided not to recognise deferred tax assets on tax losses incurred by the companies in the current year and in previous years. In the reporting period, the amount of unrecognised tax loss asset increased by PLN 16.7m. The amount of tax loss incurred in the reporting period by CCC.eu sp. z o.o. was PLN 139.2m. The total amount of unrecognised tax loss asset was PLN 215.3m, relating to CCC.eu Sp. z o.o. (PLN 185.4m), Gino Rossi S.A. (PLN 26.0m), CCC Shoes & Bags d.o.o. Beograd (PLN 3.9m). Under the applicable tax laws, the tax losses of these companies can be used over the period of five years.

4. DEBT; CAPITAL AND LIQUIDITY MANAGEMENT

4.1. CAPITAL MANAGEMENT

The purpose of capital risk management is to protect the Group's ability to continue its operations so as to ensure a return on capital for the shareholders and benefits for other stakeholders, and to maintain a cost-optimised capital structure.
In accordance with the Group's policy, the amount of dividend may not be lower than 33% or higher than 66% of the Group's consolidated net profit attributable to owners of the parent, provided that the ratio of net debt to EBITDA (understood as operating profit (loss) before depreciation and amortisation) as at the end of the financial year for which the dividend is to be distributed is less than 3.0. Under the New Financing Agreement, dividend may be paid on satisfaction of certain conditions, including: The Net Exposure / EBITDA ratio for the CCC Group (excluding Modivo S.A. and its subsidiaries) lower than 2.5, with the proviso that the dividend may not be paid earlier than two years after the execution of the said agreement – details of the covenants are described in the Directors' Report on the Group's operations in the 'Management of financial resources and liquidity' section. For detailed information on the dividend policy, see 'Dividend policy' in the Full-year Directors' Report on the Group's operations.
To maintain or adjust the capital structure, the Group may adjust the amount of dividends declared to be paid to shareholders, return capital to shareholders, issue new shares or sell assets in order to reduce debt.
Similarly to other entities in the industry, the Group monitors its capital using the debt ratio. The ratio is calculated as net debt to total equity. Net debt is calculated as total borrowings (comprising short- and long-term credit facilities and bonds issued as disclosed in the consolidated statement of financial position) less cash and cash equivalents. The total amount of capital is calculated as the sum of the equity disclosed in the consolidated statement of financial position and the net debt.

EARNINGS (LOSS) PER SHARE

In the six months ended July 31st 2022, basic and diluted loss per share was PLN 4.61. In the six months ended July 31st 2021, basic and diluted loss per share was PLN 1.58.

DIVIDEND

On June 15th 2022, the Annual General Meeting of CCC S.A. passed Resolution No. 5/ZWZA/2022 to allocate the net profit of PLN 442.2m for the financial year February 1st 2021 – January 31st 2022 to the Company's statutory reserve funds (in accordance with the Company's accounting policy, retained earnings (loss) from previous years (including amounts transferred to statutory reserve funds) are presented under retained earnings).
In the current year, the Company did not declare or pay any dividend.

(all amounts in PLN million unless stated otherwise)

4.2. BANK BORROWINGS AND BONDS

BANK BORROWINGS AND BONDS

The following note presents data on borrowings and bonds in issue.

unaudited, reviewed	FINANCING OF THE CCC BUSINESS UNIT		FINANCING OF THE MODIVO BUSINESS UNIT		TOTAL
	CREDIT FACILITIES	BONDS	CREDIT FACILITIES	BONDS	
As at February 1st 2022	**1,132.3**	**560.9**	**253.4**	**513.0**	**2,459.6**
short-term	**288.3**	**3.3**	**253.4**	**–**	**545.0**
long-term	**844.0**	**557.6**	**–**	**513.0**	**1,914.6**
Proceeds from debt contracted					
- financing received	42.0	–	–	–	42.0
Interest accrued	46.1	27.7	4.3	51.2	129.3
Debt-related payments					
- principal payments	-15.5	–	-12.8	–	-28.3
- interest paid	-41.2	-18.4	-3.1	–	-62.7
Increase/decrease due to change in overdraft facility amount	53.7	–	-28.3	–	25.4
Other non-cash changes	0.3	–	–	–	0.3
As at July 31st 2022	**1,217.7**	**570.2**	**213.5**	**564.2**	**2,565.6**
short-term	**553.4**	**4.0**	**213.5**	**564.2**	**1,335.1**
Tranche A	*44.0*	–	–	–	*44.0*
Credit facilities with surety from BGK	*507.0*	–	–	–	*507.0*
Other (other credit facilities; credit cards)	*2.4*	–	*213.5*	–	*215.9*
Bonds issued to PFR	–	*1.9*	–	–	*1.9*
Softbank bonds	–	–	–	*564.2*	*564.2*
CCC0626 bonds	–	*2.1*	–	–	*2.1*
long-term	**664.3**	**566.2**	**–**	**–**	**1,230.5**
Tranche A	*329.8*	–	–	–	*329.8*
Tranche B	*334.5*	–	–	–	*334.5*
Bonds issued to PFR	–	*356.0*	–	–	*356.0*
CCC0626 bonds	–	*210.2*	–	–	*210.2*

As at July 31st 2022, the Group classifies the PLN 264.2m liability under overdraft/revolving credit facility (PLN 296.3m as at January 31st 2022) as non-current – The Group's overdraft/revolving credit facility agreements have been concluded with a prepayment option. However, the Group is not exercising that option and – seeing that the scheduled repayment falls more than 12 months after the reporting date – the related liabilities are presented in the non-current portion.

(all amounts in PLN million unless stated otherwise)

audited	FINANCING OF THE CCC BUSINESS UNIT		FINANCING OF THE MODIVO BUSINESS UNIT		TOTAL
	CREDIT FACILITIES	BONDS	CREDIT FACILITIES	BONDS	
As at February 1st 2021	**1,145.9**	**210.4**	**313.3**	**–**	**1,669.6**
short-term	**262.6**	**–**	**210.1**	**–**	**472.7**
long-term	**883.3**	**210.4**	**103.2**	**–**	**1,196.9**
Proceeds from debt contracted					
- financing received	759.2	360.0	–	500.0	1,619.2
Interest accrued	44.7	20.9	4.9	32.3	102.8
Debt-related payments					
- principal payments	-902.0	–	-76.8	–	-978.8
- interest paid	-37.6	-6.7	-4.9	–	-49.2
Increase due to change in overdraft/revolving facility amount	163.8	–	16.3	–	180.1
Other non-cash changes	-41.7	-23.7	0.6	-19.3	-84.1
As at January 31st 2022	**1,132.3**	**560.9**	**253.4**	**513.0**	**2,459.6**
short-term	**288.3**	**3.3**	**253.4**	**–**	**545.0**
Tranche A	*36.5*	–	–	–	*36.5*
Credit facilities with surety from BGK	*251.2*	–	–	–	*251.2*
Other (other credit facilities; credit cards)	*0.6*	–	*253.4*	–	*254.0*
Bonds issued to PFR	–	*1.9*	–	–	*1.9*
CCC0626 bonds	–	*1.4*	–	–	*1.4*
long-term	**844.0**	**557.6**	**–**	**513.0**	**1,914.6**
Tranche A	*349.4*	–	–	–	*349.4*
Tranche B	*246.6*	–	–	–	*246.6*
Credit facilities with surety from BGK	*248.0*	–	–	–	*248.0*
Bonds issued to PFR	–	*347.6*	–	–	*347.6*
Softbank bonds	–	–	–	*513.0*	*513.0*
CCC0626 bonds	–	*210.0*	–	–	*210.0*

In connection with its existing debt, the Group is exposed to interest rate risk, currency risk, and liquidity risk. For a description of the financial risks, see Note 6.1.

(all amounts in PLN million unless stated otherwise)

4.3. CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES

July 31st 2022	CONTRACTUAL MATURITIES FROM THE END OF THE REPORTING PERIOD					TOTAL UNDISCOUNTED	CARRYING AMOUNT
	UP TO 3 MONTHS	3–12 MONTHS	1–3 YEARS	3–5 YEARS	OVER 5 YEARS		
unaudited, reviewed							
Bank borrowings	156.0	495.5	902.7	–	–	1,554.2	1,431.2
Bonds	50.7	717.9	335.1	403.8	408.4	1,915.9	1,134.4
Trade and other payables	1,049.9	76.9	2.5	–	–	1,129.3	1,129.2
Factoring liabilities	337.7	175.5	–	–	–	513.2	513.2
Returns liabilities	79.7	–	–	–	–	79.7	79.7
Liabilities arising from obligation to purchase non-controlling interests	–	–	66.2	–	–	66.2	60.1
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	–	–	–	–	8.8	8.8	8.8
Lease liabilities	150.3	335.3	778.5	389.3	229.7	1,883.1	1,747.0
Total financial liabilities	**1,824.3**	**1,801.1**	**2,085.0**	**793.1**	**646.9**	**7,150.4**	**6,103.6**

January 31st 2022	CONTRACTUAL MATURITIES FROM THE END OF THE REPORTING PERIOD					TOTAL UNDISCOUNTED	CARRYING AMOUNT
	UP TO 3 MONTHS	3–12 MONTHS	1–3 YEARS	3–5 YEARS	OVER 5 YEARS		
audited							
Bank borrowings	167.7	419.3	828.4	147.4	–	1,562.8	1,385.7
Bonds	–	38.5	717.8	261.0	498.8	1,516.1	1,073.9
Trade and other payables	966.6	69.2	2.2	0.2	–	1,038.2	1,038.2
Factoring liabilities	296.6	145.3	–	–	–	441.9	441.9
Returns liabilities	64.3	–	–	–	–	64.3	64.3
Liabilities arising from obligation to purchase non-controlling interests	–	0.1	–	73.0	–	73.1	64.9
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	–	–	–	–	19.9	19.9	19.9
Lease liabilities	152.0	341.0	714.5	476.4	221.9	1,905.8	1,795.5
Total financial liabilities	**1,647.2**	**1,013.4**	**2,262.9**	**958.0**	**740.6**	**6,622.1**	**5,884.3**

(all amounts in PLN million unless stated otherwise)

4.4. ADDITIONAL INFORMATION ON SELECTED ITEMS OF THE STATEMENT OF CASH FLOWS

	TRADE AND OTHER RECEIVABLES	TRADE AND OTHER PAYABLES AND OTHER LIABILITIES
As at February 1st 2022	519.5	1,856.0
As at July 31st 2022	444.2	2,154.6
Change in statement of financial position	**75.3**	**298.6**
Difference due to:		
Changes in investment liabilities / receivables	-0.9	-15.6
Adjustment for change in balances due to acquisition of subsidiaries	–	-15.5
Adjustment for change in long-term receivables/liabilities	0.8	–
Adjustment for change due to disposal of subsidiary	-5.9	52.9
Other	–	–
Change recognised in statement of cash flows	**69.3**	**320.4**

Change recognised in statement of cash flows		
As at February 1st 2021	406.4	1,655.5
As at July 31st 2021	462.9	1,731.2
Change in statement of financial position	**-56.5**	**75.7**
Difference due to:		
Changes in investment liabilities / receivables	4.6	-3.0
Adjustment for change in long-term receivables/liabilities	1.8	15.9
Adjustment for change due to disposal of subsidiary	-1.4	–
Other	–	0.1
Change recognised in statement of cash flows	**-51.5**	**88.7**

	February 1st–July 31st 2022	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed, restated*
Other adjustments to profit before tax:		
Accrued interest and exchange differences	-6.4	3.3
Change in provisions	-2.3	-3.0
Measurement of employee option plan	8.6	–
Valuation of options to purchase non-controlling interests in eobuwie.pl and DeeZee	-4.8	13.6
Measurement of derivative instruments	1.6	-1.8
Adjustment for change due to disposal of subsidiary	–	-9.7
Changes in right-of-use asset and lease liability	31.8	-5.8
Other	-18.2	-6.8
Total	**10.3**	**-10.2**

(all amounts in PLN million unless stated otherwise)

5. NOTES TO THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

5.1. PROPERTY, PLANT AND EQUIPMENT

unaudited, reviewed	LEASEHOLD IMPROVEMENTS	DISTRIBUTION				OTHER PROPERTY, PLANT AND EQUIPMENT				TOTAL
		LAND, BUILDINGS AND STRUCTURES	MACHINERY AND EQUIPMENT	PROPERTY, PLANT AND EQUIPMENT UNDER CONSTRUCTION	TOTAL	LAND AND BUILDINGS	MACHINERY AND EQUIPMENT	OTHER	TOTAL	
Gross carrying amount as at February 1st 2022	**1,094.8**	**496.5**	**432.3**	**25.2**	**954.0**	**58.5**	**73.7**	**37.7**	**169.9**	**2,218.7**
Accumulated depreciation as at February 1st 2022	**-512.6**	**-73.8**	**-254.6**	**-2.0**	**-330.4**	**-11.6**	**-51.8**	**-14.9**	**-78.3**	**-921.3**
Impairment losses as at February 1st 2022	**-8.6**	**–**	**–**	**–**	**–**	**–**	**–**	**-0.1**	**-0.1**	**-8.7**
Net carrying amount as at February 1st 2022	**573.6**	**422.7**	**177.7**	**23.2**	**623.6**	**46.9**	**21.9**	**22.7**	**91.5**	**1,288.7**
Gross carrying amount as at February 1st 2022	1,094.8	496.5	432.3	25.2	954.0	58.5	73.7	37.7	169.9	2,218.7
Exchange differences on translation	6.5	0.1	–	0.1	0.2	–	0.3	-1.3	-1.0	5.7
Acquisition	155.8	0.1	11.7	43.2	55.0	0.1	8.0	1.9	10.0	220.8
Increase due to acquisition of subsidiaries	2.1	–	–	–	–	–	–	–	–	2.1
Retirement and disposal	-31.7	–	-3.7	–	-3.7	-1.8	-1.5	-1.5	-4.8	-40.2
Transfer between groups (gross carrying amount)	3.5	2.9	11.6	-16.5	-2.0	1.7	-3.2	1.6	0.1	1.6
Reclassification to assets held for sale (gross carrying amount)*	-47.7	–	–	–	–	–	–	-2.0	-2.0	-49.7
Gross carrying amount as at July 31st 2022	**1,183.3**	**499.6**	**451.9**	**52.0**	**1,003.5**	**58.5**	**77.3**	**36.4**	**172.2**	**2,359.0**
Accumulated depreciation as at February 1st 2022	-512.6	-73.8	-254.6	-2.0	-330.4	-11.6	-51.8	-14.9	-78.3	-921.3
Depreciation	-69.8	-6.8	-24.3	–	-31.1	-1.3	-4.4	-2.4	-8.1	-109.0
Retirement and disposal (accumulated depreciation)	20.9	–	2.6	–	2.6	–	1.5	1.0	2.5	26.0
Transfer between groups (accumulated depreciation)	–	–	–	–	–	–	–	–	–	–
Reclassification to assets held for sale (accumulated depreciation)*	23.1	–	–	–	–	–	–	1.3	1.3	24.4
Accumulated depreciation as at July 31st 2022	**-538.4**	**-80.6**	**-276.3**	**-2.0**	**-358.9**	**-12.9**	**-54.7**	**-15.0**	**-82.6**	**-979.9**
Impairment losses as at February 1st 2022	-8.6	–	–	–	–	–	–	-0.1	-0.1	-8.7
Use of impairment losses	–	–	–	–	–	–	–	–	–	–
Reclassification to assets held for sale (impairment losses)*	2.9	–	–	–	–	–	–	–	–	2.9
Impairment losses as at July 31st 2022	**-5.7**	**–**	**–**	**–**	**–**	**–**	**–**	**-0.1**	**-0.1**	**-5.8**
Net carrying amount as at July 31st 2022	**639.2**	**419.0**	**175.6**	**50.0**	**644.6**	**45.6**	**22.6**	**21.3**	**89.5**	**1,373.3**

* The item relates to assets of the (Russian) subsidiary sold in the current period.

(all amounts in PLN million unless stated otherwise)

audited	LEASEHOLD IMPROVEMENTS	DISTRIBUTION				OTHER PROPERTY, PLANT AND EQUIPMENT				TOTAL
		LAND, BUILDINGS AND STRUCTURES	MACHINERY AND EQUIPMENT	PROPERTY, PLANT AND EQUIPMENT UNDER CONSTRUCTION	TOTAL	LAND AND BUILDINGS	MACHINERY AND EQUIPMENT	OTHER	TOTAL	
Gross carrying amount as at February 1st 2021	**1,027.7**	**457.1**	**384.5**	**37.7**	**879.2**	**59.4**	**68.1**	**36.8**	**164.2**	**2,071.0**
Accumulated depreciation as at February 1st 2021	**-443.8**	**-58.9**	**-215.3**	**-2.0**	**-276.2**	**-9.4**	**-45.1**	**-16.7**	**-71.1**	**-791.0**
Impairment losses as at February 1st 2021	**-42.1**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**-42.1**
Net carrying amount as at February 1st 2021	**541.8**	**398.2**	**169.2**	**35.7**	**603.0**	**50.0**	**23.0**	**20.1**	**93.1**	**1,237.9**
Gross carrying amount as at February 1st 2021	1,027.7	457.1	384.5	37.7	879.2	59.4	68.1	36.8	164.2	2,071.0
Exchange differences on translation	4.4	–	0.1	-0.1	–	–	0.7	0.3	1.0	5.4
Acquisition	162.7	1.0	32.2	61.2	94.4	0.5	7.8	7.2	15.5	272.6
Retirement and disposal	-105.3	–	-14.5	–	-14.5	-1.3	-3.0	-7.1	-11.4	-131.2
Transfer between groups (gross carrying amount)	5.3	38.4	30.0	-73.5	-5.1	-0.1	0.1	0.5	0.5	0.7
Gross carrying amount as at January 31st 2022	**1,094.8**	**496.5**	**432.3**	**25.2**	**954.0**	**58.5**	**73.7**	**37.7**	**169.9**	**2,218.7**
Accumulated depreciation as at February 1st 2021	-443.8	-58.9	-215.3	-2.0	-276.2	-9.4	-45.1	-16.7	-71.1	-791.0
Retirement and disposal (accumulated depreciation)	56.2	3.0	6.9	–	9.9	0.4	2.4	7.3	10.1	76.2
Depreciation	-125.0	-17.9	-46.2	–	-64.1	-2.6	-9.1	-5.5	-17.2	-206.3
Accumulated depreciation as at January 31st 2022	**-512.6**	**-73.8**	**-254.6**	**-2.0**	**-330.4**	**-11.6**	**-51.8**	**-14.9**	**-78.3**	**-921.3**
Impairment losses as at February 1st 2021	-42.1	–	–	–	–	–	–	–	–	-42.1
Impairment losses	-2.6	–	–	–	–	–	–	-0.1	-0.1	-2.7
Reversal of impairment losses	2.9	–	–	–	–	–	–	–	–	2.9
Use of impairment losses	33.2	–	–	–	–	–	–	–	–	33.2
Impairment losses as at January 31st 2022	**-8.6**	**–**	**–**	**–**	**–**	**–**	**–**	**-0.1**	**-0.1**	**-8.7**
Net carrying amount as at January 31st 2022	**573.6**	**422.7**	**177.7**	**23.2**	**623.6**	**46.9**	**21.9**	**22.7**	**91.5**	**1,288.7**

(all amounts in PLN million unless stated otherwise)

5.2. RIGHT OF USE AND LEASE LIABILITIES

unaudited, reviewed	RIGHT OF USE					
	Stores	Warehouse	Vehicles	Offices	Other	Total
Gross carrying amount as at February 1st 2022	**2,545.0**	**8.2**	**17.6**	**89.4**	**57.5**	**2,717.7**
Accumulated depreciation as at February 1st 2022	**-1,260.8**	**-4.2**	**-9.5**	**-23.2**	**-9.3**	**-1,307.0**
Impairment losses as at February 1st 2022	**-21.8**	**–**	**–**	**–**	**–**	**-21.8**
Net carrying amount as at February 1st 2022	**1,262.4**	**4.0**	**8.1**	**66.2**	**48.2**	**1,388.9**
Gross carrying amount as at February 1st 2022	2,545.0	8.2	17.6	89.4	57.5	2,717.7
Exchange differences on translation – gross carrying amount	–	–	–	1.5	0.5	2.0
New lease contracts	154.3	0.9	1.9	41.3	–	198.4
Changes resulting from contract modifications	-20.4	0.1	1.4	11.1	-30.7	-38.5
Changes resulting from contract modification – shortening of contract term – gross carrying amount	-75.7	-0.4	-2.8	-7.9	-5.0	-91.8
Reclassification to assets held for sale*	-72.8	-0.6	-0.1	–	–	-73.5
Gross carrying amount as at July 31st 2022	**2,530.4**	**8.2**	**18.0**	**135.4**	**22.3**	**2,714.3**
Accumulated depreciation as at February 1st 2022	-1,260.8	-4.2	-9.5	-23.2	-9.3	-1,307.0
Exchange differences on translation – accumulated depreciation	-1.2	–	–	-0.6	–	-1.8
Depreciation in period	-131.4	-0.5	-2.5	-36.7	-1.9	-173.0
Changes resulting from contract modification – shortening of contract term – accumulated depreciation	60.2	0.2	1.5	5.8	5.0	72.7
Reclassification to assets held for sale*	32.0	0.2	0.1	–	–	32.3
Accumulated depreciation as at July 31st 2022	**-1,301.2**	**-4.3**	**-10.4**	**-54.7**	**-6.2**	**-1,376.8**
Impairment losses as at February 1st 2022	-21.8	–	–	–	–	-21.8
Exchange differences on translation	-0.1	–	–	–	–	-0.1
Use of impairment losses in period	0.9	–	–	–	–	0.9
Reclassification to assets held for sale*	1.1	–	–	–	–	1.1
Impairment losses as at July 31st 2022	**-19.9**	**–**	**–**	**–**	**–**	**-19.9**
Net carrying amount as at July 31st 2022	**1,209.3**	**3.9**	**7.6**	**80.7**	**16.1**	**1,317.6**

* The item relates to assets of the (Russian) subsidiary sold in the current period.

(all amounts in PLN million unless stated otherwise)

audited	RIGHT OF USE					
	Stores	Warehouse	Vehicles	Offices	Other	Total
Gross carrying amount as at February 1st 2021	**2,529.1**	**76.2**	**13.7**	**44.0**	**12.4**	**2,675.4**
Accumulated depreciation as at February 1st 2021	**-1,093.2**	**-54.3**	**-8.2**	**-30.6**	**-4.0**	**-1,190.3**
Impairment losses as at February 1st 2021	**-29.7**	**–**	**–**	**–**	**–**	**-29.7**
Net carrying amount as at February 1st 2021	**1,406.2**	**21.9**	**5.5**	**13.4**	**8.4**	**1,455.4**
Gross carrying amount as at February 1st 2021	2,529.1	76.2	13.7	44.0	12.4	2,675.4
Exchange differences on translation – gross carrying amount	39.9	0.1	-	0.4	-	40.4
New lease contracts	223.3	0.3	5.7	33.2	49.6	312.1
Changes resulting from contract modifications	43.5	-0.1	0.3	4.9	0.5	49.1
Changes resulting from contract modification – shortening of contract term – gross carrying amount	-213.8	-1.7	-1.4	-0.2	-3.8	-220.9
Other	-77.0	-66.6	-0.7	7.1	-1.2	-138.4
Gross carrying amount as at January 31st 2022	**2,545.0**	**8.2**	**17.6**	**89.4**	**57.5**	**2,717.7**
Accumulated depreciation as at February 1st 2021	-1,093.2	-54.3	-8.2	-30.6	-4.0	-1,190.3
Exchange differences on translation – accumulated depreciation	-17.0	-0.1	–	-0.2	–	-17.3
Depreciation in period	-329.2	-1.3	-4.3	-7.8	-7.3	-349.9
Changes resulting from contract modification – shortening of contract term – accumulated depreciation	108.7	1.0	1.3	0.1	0.7	111.8
Other	69.9	50.5	1.7	15.3	1.3	138.7
Accumulated depreciation as at January 31st 2022	**-1,260.8**	**-4.2**	**-9.5**	**-23.2**	**-9.3**	**-1,307.0**
Impairment losses as at February 1st 2021	-29.7	–	–	–	–	-29.7
Exchange differences on translation	-0.5	–	–	–	–	-0.5
Recognition of impairment losses during period	-4.6	–	–	–	–	-4.6
Use of impairment losses in period	10.8	–	–	–	–	10.8
Reversal of impairment loss in period	2.2	–	–	–	–	2.2
Impairment losses as at January 31st 2022	**-21.8**	**–**	**–**	**–**	**–**	**-21.8**
Net carrying amount as at January 31st 2022	**1,262.4**	**4.0**	**8.1**	**66.2**	**48.2**	**1,388.9**

Lease liabilities	February 1st–July 31st 2022	February 1st 2021–January 31st 2022
	unaudited, reviewed	audited
At beginning of period	**1,795.5**	**1,865.9**
Accrued interest	18.3	48.5
Lease payments	-229.7	-397.2
Exchange differences	45.6	29.6
New lease contracts	198.5	311.3
Modification of contract terms	-6.3	58.8
Renewal	0.4	–
Change of scope	-22.4	-121.4
Reclassification to discontinued operations*	-52.9	–
At end of period	**1,747.0**	**1,795.5**

* The item relates to liabilities of the (Russian) subsidiary sold in the current period.

(all amounts in PLN million unless stated otherwise)

5.3. INVENTORY

	July 31st 2022	January 31st 2022
	unaudited, reviewed	audited
Materials	16.6	2.4
Merchandise	2,856.5	2,546.8
Finished goods	76.4	76.7
Returns assets	51.6	37.7
Total (gross)	**3,001.1**	**2,663.6**
Impairment losses	-50.4	-37.8
Total (net)	**2,950.7**	**2,625.8**

The CCC Group's objective is to minimise inventories, while maintaining an adequate volume of merchandise to maximise sales.
In connection with the customer's right to return unused goods, the Group calculates returns liabilities and returns assets. Deliveries made after the reporting date are allocated to revenue of the next period, while returns reduce revenue in the current period. The amount of the asset is disclosed in inventories, while the liability is presented in other liabilities. As at the reporting date, the amount of the asset was PLN 51.6m, and the amount of the liability was PLN 79.7m.

Inventory write-downs and their changes are presented below.

	February 1st–July 31st 2022	February 1st 2021–January 31st 2022
	unaudited, reviewed	audited
At beginning of period	**37.8**	**37.1**
Expensed to cost of sales	27.5	13.6
Used	-6.8	-9.7
Reversed to cost of sales	-8.1	-3.2
At end of period	**50.4**	**37.8**

Inventory aging is presented in the table below.

	July 31st 2022	January 31st 2022
	unaudited, reviewed	audited
up to 1 year	2,642	2,380.8
1 to 2 years	322.9	253.6
2 to 3 years	33.5	27.4
over 3 years	2.7	1.8
Total gross carrying amount	**3,001.1**	**2,663.6**

(all amounts in PLN million unless stated otherwise)

6. OTHER NOTES

6.1. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

	July 31st 2022		January 31st 2022	
	unaudited, reviewed		audited	
	FINANCIAL ASSETS	FINANCIAL LIABILITIES	FINANCIAL ASSETS	FINANCIAL LIABILITIES
Financial assets at amortised cost	**892.9**	**–**	**1,188.0**	**–**
Loans	–	–	–	–
Trade receivables	165.8	–	226.1	–
Lease receivables	0.4	–	0.4	–
Receivables from sale of property, plant and equipment	16.6	–	20.4	–
Cash and cash equivalents	710.1	–	941.1	–
Financial assets measured at fair value through profit or loss	**11.7**	**–**	**19.8**	**–**
Other financial assets (shares)	11.2	–	11.2	–
Other financial assets (derivative financial instruments – forwards)	0.5	–	2.1	–
Derivative financial instruments (embedded derivatives)	–	–	6.5	–
Financial liabilities at amortised cost	**–**	**6,034.7**	**–**	**5,799.5**
Bank borrowings and bonds	–	2,565.6	–	2,459.6
Trade and other payables	–	1,642.4	–	1,480.1
Returns liabilities	–	79.7	–	64.3
Lease liabilities	–	1,747.0	–	1,795.5
Financial liabilities measured at fair value through profit or loss	**–**	**95.7**	**–**	**99.4**
Liabilities arising from obligation to purchase non-controlling interests	–	60.1	–	64.9
Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	–	8.8	–	19.9
Derivative financial instruments embedded in bonds convertible into Modivo shares − voluntary conversion option	–	26.8	–	14.6

(all amounts in PLN million unless stated otherwise)

July 31st 2022 unaudited, reviewed	TOTAL CARRYING AMOUNT	LEVEL OF FAIR VALUE HIERARCHY
Financial assets measured at fair value through profit or loss	**11.7**	
Other financial assets (shares)	11.2	2
Other financial assets (derivative financial instruments – forwards)	0.5	2
Financial liabilities measured at fair value through profit or loss	**35.6**	
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	8.8	3
Derivative financial instruments embedded in bonds convertible into Modivo shares – voluntary conversion option	26.8	3

January 31st 2022 audited	TOTAL CARRYING AMOUNT	LEVEL OF FAIR VALUE HIERARCHY
Financial assets measured at fair value through profit or loss	**19.8**	
Other financial assets (shares)	11.2	2
Other financial assets (derivative financial instruments – forwards)	2.1	2
Derivative financial instruments (embedded derivatives)	6.5	2
Financial liabilities measured at fair value through profit or loss	**34.5**	
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	19.9	3
Derivative financial instruments embedded in bonds convertible into Modivo shares – voluntary conversion option	14.6	3

The Group measures the options to sell non-controlling interests at fair value. As at the reporting date, their exercise dates and values were as follows:

Company	Amount as at February 1st 2022	Effect of fair value measurement of options to purchase non-controlling interests (amortised cost)	Amount as at July 31st 2022 before fair value measurement	Effect of measurement at fair value	Amount as at July 31st 2022	Exercise date (possibility to exercise option on the initial date)
DeeZee Sp. z o.o.	64.9	1.4	66.3	-6.2	60.1	September 30th 2024
Summary	**64.9**	**1.4**	**66.3**	**-6.2**	**60.1**	

Company	Amount as at February 1st 2021	Effect of fair value measurement of options to purchase non-controlling interests (amortised cost)	Extinguishment of option	Recognition of new option	Effect of fair value measurement of options to purchase non-controlling interests (amortised cost)	Exercise of option	Amount as at January 31st 2022 before fair value measurement	Effect of measurement at fair value	Amount as at Janurary 31st 2022	Exercise date (possibility to exercise option on the initial date)
Modivo S.A.	743.7	5.4	-749.0	711.6	8.4	-720.0	–	–	–	N/A
Karl Voegele AG	–	–	–	–	–	–	–	–	–	N/A
DeeZee Sp. z o.o.	84.9	3.9	–	–	–	–	88.80	-23.9	64.9	September 30th 2022 September 30th 2024
Summary	**828.6**	**9.3**	**-749.0**	**711.6**	**8.4**	**-720.0**	**88.8**	**-23.9**	**64.9**	**–**

(all amounts in PLN million unless stated otherwise)

The fair value measurement of the DeeZee Sp. z o.o. options was recognised in liabilities arising from the obligation to purchase non-controlling interests. The main factor determining the valuation of options to purchase non-controlling interests in DeeZee sp. z o.o. is the projected level of EBITDA and net debt at the option exercise dates. The relevant EDITDA multipliers provided for in the investment agreements were used to determine the value of the future liability. Following a review of the forecasts received from that company, which are used as the main parameter affecting the measurement of financial instruments under the option to buy shares, the value of the financial instrument from option measurement was remeasured and recognised in the statement of comprehensive income under finance income in the amount of PLN 6.2m. The liability was measured at fair value as at the reporting date, using a discount rate of 4.5% (4.5% for the reference periods).
In the reporting period, the Group signed an annex to the existing investment agreement, whereby the shareholders of DeeZee Sp. z o.o. waived the right to exercise the options in 2022 based on 2021 EBITDA. As a result, DeeZee Sp. z o.o. shareholders' right to sell/CCC Shoes & Bags Sp. z o.o. shareholders' right to buy the remaining 25% of the shares may be exercised in 2024 based on 2023 EBITDA.

On March 31st 2021, CCC S.A. and its subsidiary CCC Shoes & Bags Sp. z o.o. entered into a share purchase commitment agreement with MKK3 Sp. z o.o. ("MKK3", non-controlling shareholder of Modivo S.A.) and MKK3 shareholders, to purchase from MKK3 2,000,000 ordinary and preference shares in Modivo S.A., representing 20% of the share capital of Modivo S.A., for a total price of PLN 720.0m, to be effected by September 30th 2021. At the same time, the Group made an irrevocable offer to MKK3 to purchase the remaining 5.01% of Modivo S.A. shares held by MKK3 (the "Put Option") for a total price of PLN 180.0m, substantially valid from January 1st 2023 to December 31st 2025, with the option expiring if Modivo S.A. carries out an initial public offering of its shares. At the same time, the filing by Modivo S.A. of a prospectus with the Polish Financial Supervision Authority before January 1st 2023 precludes the exercise of the option for six months from the prospectus filing date. The agreement also grants the right of first refusal to acquire the remaining 5.01% of shares in Modivo S.A. from MKK3 Sp. z o.o. Given that the exercise of the option for the remaining 5.01% of Modivo shares is subject to the condition that there is no initial public offering of Modivo shares (in accordance with the terms of the agreement), and considering the Group's plans and activities undertaken to carry out such offering, the probability of the option being exercised was assessed as very low and therefore the fair value of the liability under the Put Option was estimated as immaterial (counted as probability-weighted average of expected cash flows).

The table below presents a sensitivity analysis of the valuation of the options to buy non-controlling interests.

Company	Initial value of the option	+10% change in EBITDA	Difference	-10% change in EBITDA	Difference
DeeZee Sp. z o.o.	60.2	66.1	5.9	54.0	-5.9

The Group measures at fair value the derivative instrument containing a potential obligation under an 'Equity Kicker' related to the issue of bonds subscribed for by PFR Inwestycje Fundusz Inwestycyjny Zamknięty.
The Equity Kicker is an obligation of the issuer to pay a premium to PFR based on an algorithm agreed between PFR and the Group. The derivative instrument based on the valuation of Modivo shares was therefore separated (bifurcated) and measured at fair value amounting to PLN 8.8m as at the reporting date. The change in measurement in the current reporting period was PLN 11.1m and was recognised under finance income.
The value of the Equity Kicker depends on the investor's average annual return on the bonds. As long as the investor's average annual return is lower than 13% (Equity Kicker threshold), the Equity Kicker will amount to 30% of the gain on the disposal of up to 720,000 shares. If the average annual return exceeds the amount determined based on the Equity Kicker threshold, the amount of the Equity Kicker going beyond that amount will be reduced to 10% of the gain on the disposal of shares calculated and payable only in respect of the excess amount.
The valuation of that instrument was prepared by independent experts. The valuation was carried out using a binomial tree model, based on the following key assumptions:

- Number of shares covered by the Equity Kicker option – 0.72m
- Initial valuation date – bond issue date – September 22nd 2021;
- Expiry date of the Equity Kicker option – September 22nd 2028;
- Risk-free rate – 5.65% (January 31st 2022: 4.0%);
- Expected share price volatility – 43.5% (January 31st 2022: 31%);
- Maximum duration of the option – 6.5 years (January 31st 2022: 7 years);

(all amounts in PLN million unless stated otherwise)

- Base rate (3M WIBOR) for the first interest period – 0.24%; in the second interest period – 2.5%, in the third interest period – 7.03%;
- Early payment of deferred interest – no.

The fair value measurement of Equity Kicker is classified in Level 3 of the fair value hierarchy.

	February 1st 2022–July 31st 2022	February 1st 2021–January 31st 2022
	unaudited, reviewed	audited
At beginning of period	19.9	–
Initial recognition	–	19.3
Measurement at fair value	-11.1	0.6
At end of period	**8.8**	**19.9**

The Group measures at fair value the derivative instrument embedded in the agreement for the issue of bonds convertible into shares subscribed for by a Softbank Group company. The derivative instrument based on the valuation of Modivo shares was therefore separated (bifurcated) and measured at fair value amounting to PLN 26.8m as at the reporting date. The change in measurement in the reporting period was PLN 12.2m and was recognised under finance costs.

The valuation of that instrument was prepared by independent experts. The valuation was carried out using the Black-Scholes model, based on the following key assumptions:

- Initial valuation date – bond issue date – October 5th 2021;
- Option expiry date – May 26th 2023;
- Risk-free rate – 6.04% (January 31st 2022: 3.24%);
- Expected share price volatility – 43.5%; (January 31st 2022: 31%);
- Maximum duration of the option – 299 days;
- Base rate (3M WIBOR) for the first interest period – 0.24%;
- Repayment of contractual interest at a fixed rate of 6.99% per annum – no.

The fair value measurement of the derivative instrument (voluntary conversion option) is classified in Level 3 of the fair value hierarchy.

	February 1st 2022–July 31st 2022	February 1st 2021–January 31st 2022
	unaudited, reviewed	audited
At beginning of period	14.6	–
Initial recognition	–	19.3
Measurement at fair value	12.2	-4.7
At end of period	**26.8**	**14.6**

According to the Group's assessment, the fair value of loans, trade receivables, receivables due from sale of property, plant and equipment, lease receivables, cash and cash equivalents, other financial assets, current financing liabilities, trade and other payables, as well as returns liabilities does not differ materially from the respective carrying amounts due to the short maturities. In the case of long-term financing liabilities and lease liabilities, the fair value does not differ materially from their carrying amounts. In the opinion of the Group, the variable interest rates correspond to market interest rates.

(all amounts in PLN million unless stated otherwise)

FINANCIAL RISK MANAGEMENT

The business of the CCC Group involves a number of different financial risks. The main risks identified by the Management Board are: currency risk, interest rate risk, credit risk (described below) and liquidity risk.
The policy for managing these risks and further information on the risks (including credit quality assessment, maximum credit risk exposures, exchange rate sensitivity analysis) are presented below.

CURRENCY RISK

The CCC Group operates internationally and is therefore exposed to the risk of fluctuations in exchange rates, in particular USD and EUR, with respect to purchases of goods manufactured in China, India and Bangladesh, costs of retail space rentals, and loans. The main items of the statement of financial position exposed to the currency risk include trade payables (purchases of goods), lease liabilities, trade receivables (wholesale of goods) and cash. The Group monitors exchange rate fluctuations and takes actions on a regular basis in order to minimize their adverse impact, e.g. by having the currency movements reflected in prices of offered goods. The Group uses currency risk hedging instruments, mainly forward contracts, but does not apply hedge accounting.

The table below presents the Group's exposure to the currency risk:

July 31st 2022	TOTAL CARRYING AMOUNT	IN FOREIGN CURRENCY AFTER TRANSLATION INTO PLN			IN FUNCTIONAL CURRENCY
		USD	EUR	OTHER	
unaudited, reviewed					
Financial assets at amortised cost	**892.9**	**22.6**	**150.4**	**227.3**	**492.6**
Loans	–	–	–	–	–
Trade receivables	165.8	22.0	57.7	69.9	16.2
Receivables from sale of property, plant and equipment	16.6	–	–	–	16.6
Lease receivables	0.4	–	0.4	–	–
Cash and cash equivalents	710.1	0.6	92.3	157.4	459.8
Financial assets measured at fair value through profit or loss	**0.5**	**–**	**–**	**0.5**	**–**
Other financial assets (derivative financial instruments – forwards)	0.5	–	–	0.5	–
Financial liabilities at amortised cost	**6,034.7**	**334.8**	**1,785.7**	**79.6**	**3,834.6**
Bank borrowings and bonds	2,565.6	–	–	0.1	2,565.5
Trade and other payables	1,642.4	334.8	166.3	42.1	1,099.2
Returns liabilities	79.7	–	–	–	79.7
Lease liabilities	1,747.0	–	1,619.4	37.4	90.2
Financial liabilities measured at fair value through profit or loss	**95.7**	**–**	**–**	**–**	**95.7**
Liabilities arising from obligation to purchase non-controlling interests	60.1	–	–	–	60.1
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	8.8	–	–	–	8.8
Derivative financial instruments embedded in bonds convertible into Modivo shares – voluntary conversion option	26.8	–	–	–	26.8

(all amounts in PLN million unless stated otherwise)

January 31st 2022	TOTAL CARRYING AMOUNT	IN FOREIGN CURRENCY AFTER TRANSLATION INTO PLN			IN FUNCTIONAL CURRENCY
		USD	EUR	OTHER	
audited					
Financial assets at amortised cost	**1,188.0**	**38.2**	**351.2**	**323.2**	**475.4**
Loans	–	–	–	–	–
Trade receivables	226.1	6.4	100.4	63.5	55.8
Receivables from sale of property, plant and equipment	20.4	–	–	–	20.4
Lease receivables	0.4	–	0.4	–	–
Cash and cash equivalents	941.1	31.8	250.4	259.7	399.2
Financial assets measured at fair value through profit or loss	**8.6**	**–**	**–**	**8.6**	**–**
Other financial assets (derivative financial instruments – forwards)	2.1	–	–	2.1	–
Derivative financial instruments (embedded derivatives)	6.5	–	–	6.5	–
Financial liabilities at amortised cost	**5,799.5**	**29.7**	**1,661.5**	**232.5**	**3,875.8**
Bank borrowings and bonds	2,459.6	–	–	–	2,459.6
Trade and other payables	1,480.1	15.3	149.0	121.4	1,194.4
Returns liabilities	64.3	–	–	–	64.3
Lease liabilities	1,795.5	14.4	1,512.5	111.1	157.5
Financial liabilities measured at fair value through profit or loss	**99.4**	**–**	**–**	**–**	**99.4**
Liabilities arising from obligation to purchase non-controlling interests	64.9	–	–	–	64.9
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	19.9	–	–	–	19.9
Derivative financial instruments embedded in bonds convertible into Modivo shares – voluntary conversion option	14.6	–	–	–	14.6

The table below presents sensitivity to the currency risk. If as at July 31st 2022 the exchange rates of financial assets/liabilities denominated in foreign currencies, in particular USD and EUR, were PLN 0.05 higher/lower, the effect on profit before tax would be as follows:

July 31st 2022	Increase/decrease in USD exchange rate			Increase/decrease in EUR exchange rate		
unaudited, reviewed	**Value in PLN corresponding to exposure in USD**	**0.05**	**-0.05**	**Value in PLN corresponding to exposure in EUR**	**0.05**	**-0.05**
Financial assets at amortised cost	**22.6**	**0.2**	**-0.2**	**150.4**	**1.6**	**-1.6**
Loans	–	–	–	–	–	–
Trade receivables	22.0	0.2	-0.2	57.7	0.6	-0.6
Lease receivables	–	–	–	0.4	–	–
Cash and cash equivalents	0.6	–	–	92.3	1.0	-1.0
Financial liabilities at amortised cost	**-334.8**	**-3.6**	**3.6**	**-1,785.7**	**-18.8**	**18.8**
Trade and other payables	-334.8	-3.6	3.6	-166.3	-1.8	1.8
Lease liabilities	–	–	–	-1,619.4	-17.1	17.1
Effect on pre-tax profit (loss)		**-3.4**	**3.4**		**-17.3**	**17.3**

January 31st 2022	Increase/decrease in USD exchange rate	Increase/decrease in EUR exchange rate

audited	Value in PLN corresponding to exposure in USD	0.05	-0.05	Value in PLN corresponding to exposure in EUR	0.05	-0.05
Financial assets at amortised cost	**38.2**	**0.5**	**-0.5**	**351.2**	**3.8**	**-3.8**
Loans	–	–	–	–	–	–
Trade receivables	6.4	0.1	-0.1	100.4	1.1	-1.1
Lease receivables	–	–	–	0.4	–	–
Cash and cash equivalents	31.8	0.4	-0.4	250.4	2.7	-2.7
Financial liabilities at amortised cost	**-29.7**	**-0.4**	**0.4**	**-1,661.5**	**-18.0**	**18.0**
Trade and other payables	-15.3	-0.2	0.2	-149.0	-1.6	1.6
Lease liabilities	-14.4	-0.2	0.2	-1,512.5	-16.4	16.4
Effect on pre-tax profit (loss)		**0.1**	**-0.1**		**-14.2**	**14.2**

INTEREST RATE RISK

The CCC Group is exposed to the interest rate risk mainly due to debt under credit facility agreements and bonds in issue, cash in bank accounts and loans advanced.

The entire debt bears interest at floating interest rates based on WIBOR and LIBOR. An increase in interest rates leads to higher debt service costs, which is partially offset by cash deposits and loans bearing interest at variable rates. The Group does not apply hedging instruments that would limit the impact of cash flow changes resulting from interest rate movements on its profit or loss. The table below presents an analysis of sensitivity to the interest rate risk, which in the Group's opinion would be reasonably possible as at the reporting date.

	AMOUNT EXPOSED TO INTEREST RATE RISK %		**Effect February 1st 2022–July 31st 2022**		**Effect February 1st 2021–January 31st 2022**	
	July 31st 2022	**January 31st 2022**	**+1pp**	**-1pp**	**+1pp**	**-1pp**
	unaudited, reviewed	**audited**	**unaudited, reviewed**		**audited**	
Cash at banks	640.4	896.1	6.4	-6.4	9.0	-9.0
Other financial assets (derivative financial instruments)	0.5	2.1	-	-	-	-
Derivative financial instruments	–	6.5	–	–	0.1	-0.1
Bank borrowings and bonds	-2,565.6	-2,459.6	-25.7	25.7	-24.6	24.6
Effect on net profit (loss)			**-19.3**	**19.3**	**-15.5**	**15.5**

(all amounts in PLN million unless stated otherwise)

CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to credit risk mainly through its trade receivables (in the wholesale business), loans, and cash and cash equivalents in bank accounts.

The maximum exposure to credit risk as at the reporting dates of January 31st 2022 and July 31st 2022 is presented in the table below:

	July 31st 2022	January 31st 2022
	unaudited, reviewed	audited
Loans	–	–
Trade receivables	165.8	226.1
Receivables from sale of property, plant and equipment	16.6	20.4
Lease receivables	0.4	0.4
Cash and cash equivalents	710.1	941.1
Long-term receivables	0.2	1.0
Total	**893.1**	**1,189.0**

6.2. ACQUISITION OF SUBSIDIARIES AND ASSOCIATES

ACQUISITION OF CCC BALTIJA

On March 29th 2022, a document was signed setting out general terms of the acquisition of assets from the Group's existing franchisees (Sabiedrība ar ierobežotu atbildību CCC Baltija of Latvia, OÜ CCC Baltija of Estonia, and UAB CCC Baltija of Lithuania).

On May 9th 2022, CCC S.A. and the newly established subsidiaries of the CCC Group, SIA CCC Shoes Latvia of Latvia, OÜ CCC Estonia of Estonia and UAB CCC Lithuania of Lithuania, signed an agreement to acquire organised parts of business from Sabiedrība ar ierobežotu atbildību CCC Baltija of Latvia and its Estonian and Lithuanian subsidiaries. The purpose of the agreement was to change the operating model in the Baltic States from franchise to own sales network, and it provided for the acquisition of a total of 12 stores from a former franchisee for a total price of PLN 3m (EUR 0.7m).
The conditions precedent for the acquisition by OÜ CCC Estonia of Estonia of an organised part of business from OÜ CCC Baltija for a price of PLN 0.9m (EUR 0.2m) were met on May 9th 2022. Thus, on May 10th 2022 OÜ CCC Baltija commenced operations through three stores acquired from a former franchisee.

The conditions precedent for the acquisition by UAB CCC Lithuania of Lithuania of an organised part of business from UAB CCC Baltija for a price of PLN 0.6m (EUR 0.1m) were met on May 11th 2022. Thus, on May 12th 2022 UAB CCC Lithuania commenced operations through three stores acquired from a former franchisee.

The conditions precedent for the acquisition of an organised part of business by SIA CCC Shoes Latvia of Latvia from Sabiedrība ar ierobežotu atbildību CCC Baltija for PLN 1.5m (EUR 0.3m) were met on June 2nd 2022. Thus, on June 3rd 2022 SIA CCC Shoes Latvia commenced operations through six stores acquired from a former franchisee.

The organised part of the business of the acquired companies comprised property, plant and equipment, inventories, trade payables, retail space leases, and employees.

The business of SIA CCC Shoes Latvia, OÜ CCC Estonia and UAB CCC Lithuania comprises the sale of footwear and accessories in offline stores located in shopping malls and other points of sale. The transaction marks another stage of foreign expansion pursued in accordance with the CCC Group's strategy – entering one of the most promising markets, especially in terms of margins and profitability.

OÜ CCC Estonia's revenue recognised in the consolidated statement of comprehensive income as of May 10th 2022 was PLN 4.0m. In the same period, the company's net profit/(loss) was close to PLN 0.0m.

UAB CCC Lithuania's revenue recognised in the consolidated statement of comprehensive income as of May 12th 2022 was PLN 2.1m. In the same period, the company's net profit/(loss) was close to PLN 0.0m.

SIA CCC Shoes Latvia's revenue recognised in the consolidated statement of comprehensive income as of June 3rd 2022 was PLN 3.5m. In the same period, the company earned a net profit of PLN 0.1m.

Below is presented detailed information on the estimated fair value of acquired net assets, goodwill and cost as at the date of control acquisition (PLNm):

(all amounts in PLN million unless stated otherwise)

	UAB CCC Lithuania	OU CCC Estonia	SIA CCC Shoes Latvia
Recognised amounts of identifiable acquired assets and liabilities (PLNm)			
Property, plant and equipment	0.5	0.6	1.1
Right-of-use assets	1.9	3.3	10.6
Inventories	0.4	0.5	10.3
Trade payables	-1.3	-2.0	-12.0
Lease liabilities	-1.9	-3.3	-10.6
Total identified net assets	**-0.4**	**-0.9**	**-0.6**
Consideration for acquisition	0.5	0.8	1.5
Total	**0.5**	**0.8**	**1.5**
Goodwill determined	0.9	1.7	2.1
Cash expenditure on acquisition	**0.5**	**0.8**	**1.5**
Paid in cash	0.5	0.8	1.5
Exchange rate as at acquisition date	4.6841	4.7059	4.5876

(all amounts in PLN million unless stated otherwise)

6.3. DISCONTINUED OPERATIONS

In the first quarter of 2022, the Group operated 39 stores in Russia through a subsidiary. As a result of analyses carried out by the Management Board, a decision was made to discontinue supplies to the Russian market and to suspend further development of the CCC Group's business in Russia by abandoning its expansion plans and consistent downscaling of the planned operations. The Group took steps to exit the Russian market, including through the sale of shares in the Russian company. A conditional agreement to sell 100% of shares in the Russian company to an entity outside the CCC Group for a price of RUB 0.5m was signed on April 6th 2022. In addition, the agreement conditionally relieved the Russian company from a portion of its debt to the CCC Group (USD 3.6m). The debt may be recovered by CCC if the EBITDA level defined in the agreement is achieved in 2023 and 2024. Since the probability of the recovering the debt is low, the Group did not recognise any assets in relation to this payment.
On May 17th 2022, following the fulfilment of conditions precedent, the shares were sold outside the CCC Group.

In the opinion of the Group, the business conducted in the Russian market represented a separate and important geographical area of operations. Therefore, in March 2022, in these interim condensed consolidated financial statements, the Group reclassified in the statement of comprehensive income its operations in the Russian market to discontinued operations, while restating comparative data.

Immediately before the initial classification of the disposal group as held for sale, the carrying amounts of all the assets and liabilities of the group were measured in accordance with applicable IFRSs and the following impairment losses were recognised:

	February 1st–July 31st 2022
Assets / liabilities	**Impairment loss/ recognised provisions**
Intangible assets	-0.1
Property, plant and equipment – leasehold improvements	–
Property, plant and equipment – other	-0.8
Right-of-use assets	–
Deferred tax assets	-0.9
Long-term receivables	-0.8
Derivative financial instruments	-6.5
Other receivables	-5.7
Total	**-14.8**

Upon classification of the disposal group as held for sale, the Group measured the disposal group at the lower of its carrying amount and fair value less costs to sell:

Intra-group transactions were eliminated from discontinued operations, hence revenue represents the margin earned by the Russian company and the cost of sales represents only costs unrelated to the intra-group transactions.

(all amounts in PLN million unless stated otherwise)

DISCONTINUED OPERATIONS	**February 1st–July 31st 2022**	**February 1st–July 31st 2021**
Revenue	12.8	69.8
Cost of sales	–	–
Gross profit (loss)	**12.8**	**69.8**
Costs of points of purchase and distribution	-8.8	-62.9
Administrative expenses	-5.3	-11.9
Other income	20.4	25.0
Other expenses	-7.5	-3.5
Operating profit (loss)	**11.6**	**16.5**
Finance income	0.2	3.1
Finance costs	-2.4	-12.6
Profit (loss) before tax	**9.4**	**7.0**
Net profit (loss) from disposal of discontinued operations	-47.6	19.0
Profit (loss) before tax from discontinued operations	**-38.2**	**26.0**
Income tax on profit (loss) before tax	-4.3	1.6
Income tax on remeasurement to fair value less cost to sell	–	–
NET PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	**-42.5**	**27.6**
Other comprehensive income from discontinued operations		
Items that may be reclassified to profit or loss – exchange differences on translating foreign operations	–	-4.4
Reclassification of exchange differences on translation of a foreign operation over which control has been lost to profit or loss	-3.2	-1.9
Total other comprehensive income, net	**-3.2**	**-6.3**
TOTAL COMPREHENSIVE INCOME FROM DISCONTINUED OPERATIONS	**-45.7**	**21.3**

The presented financial information about financial performance covers the period from February 1st to May 16th 2022 and from February 1st to July 31st 2021.

Net loss on disposal of discontinued operations in the current reporting period was determined as follows:

	Value (PLNm)
Amounts received	–
Fair value of contingent consideration	–
Net carrying amount of assets sold	-47.6
Net loss on disposal of discontinued operations	**-47.6**
Profit (loss) on discontinued operations until the transaction date	**5.1**
Net profit from discontinued operations disclosed in the interim condensed consolidated statement of comprehensive income	-42.5
Other comprehensive income from discontinued operations – reclassification of exchange differences on translation of a foreign operation over which control has been lost to profit or loss	-3.2

(all amounts in PLN million unless stated otherwise)

6.4. RELATED-PARTY TRANSACTIONS

In the presented periods, the Group entered into the following related-party transactions:

	Liabilities to related parties (including financing liabilities)	Receivables from related parties (including loans)	Liabilities to related parties (including financing liabilities)	Receivables from related parties (including loans)
	July 31st 2022	July 31st 2022	January 31st 2022	January 31st 2022
	unaudited, reviewed	unaudited, reviewed	audited	audited
ASSOCIATES	2.1	–	1.5	–
ENTITIES RELATED TO KEY MANAGEMENT PERSONNEL	0.5	–	1.7	–
Total	**2.6**	**–**	**3.2**	**–**

	Proceeds from related-party transactions	Purchases from related parties	Proceeds from related-party transactions	Purchases from related parties
	February 1st–July 31st 2022	February 1st–July 31st 2022	February 1st–July 31st 2021	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed	unaudited, reviewed, restated*	unaudited, reviewed, restated*
ASSOCIATES	–	4.3	8.0	–
ENTITIES RELATED TO KEY MANAGEMENT PERSONNEL	–	37.7	1.1	2.4
Total	**–**	**42.0**	**9.1**	**2.4**

* Due to the presentation of discontinued operations in the current-period data and change of cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

All related-party transactions were entered into on an arm's length basis.

6.5. SHARE-BASED PAYMENTS

INCENTIVE SCHEME FOR THE CCC MANAGEMENT BOARD IMPLEMENTED IN 2021–2024

As described in the consolidated financial statements for the financial year ended January 31st 2022, Management Board members are awarded variable remuneration components, including a long-term bonus linked to CCC S.A. value growth, understood as appreciation of its share price, which is awarded to each member of the Management Board for two periods: one already ended and the second running from August 1st 2021 to July 31st 2024.
The long-term bonus for period two was valued by an external expert using the Black-Scholes model. The number of rights to benefit from share appreciation (number of options) used in the valuation was 600,000, with the vesting period for 400,000 rights (options) being June 22nd 2021–July 31st 2024, for 100,000 rights (options) being July 1st 2021–July 31st 2024, and for the remaining 100,000 rights (options) being September 16th 2021–July 31st 2024. The value of a single right to benefit from share appreciation (value of a single option) used in the valuation was PLN 1.71. The assumed risk-free rate was 6.59% and the expected volatility of the share price was 45.7%. The duration of the option is two years.
In the statement of financial position, a provision of PLN 0.4m related to the valuation of the incentive scheme was recognised under other non-current liabilities (January 31st 2022: PLN 1.4m).

2021–2024 INCENTIVE SCHEME FOR KEY PERSONNEL OF THE MODIVO GROUP

As described in the consolidated financial statements for the financial year ended January 31st 2022, key personnel of Modivo S.A. and its subsidiaries are granted the right to subscribe for and/or acquire shares in Modivo S.A. Participation in the scheme and the number of rights granted began to be communicated to the scheme participants on January 14th 2022, which date was considered the start of service by the participants and the start of the vesting period. The list of participants was finally approved by the Supervisory Board on February 7th 2022 (grant date). As the grant date fell after the date of the start of service by the participants, the scheme was initially measured and the resulting cost was recognised for the reporting period ended January 31st 2022. The scheme is to remain in effect until August 31st 2024 or until Modivo's majority shareholder sells, in a single transaction or a series of transactions, no less than 50% of Modivo shares or loses the majority of votes as a result of the acquisition of shares by another entity, whichever occurs earlier. The vesting of the rights under the scheme is conditional upon the participant's continuing relationship with Modivo or any Modivo Group company until the settlement date, and on the Company's market value reaching at least PLN 8.0bn. The scheme provides for the issue of up to 7,680,500 rights (shares). As the successive thresholds of the Company's valuation are exceeded, the number of rights acquired by the scheme participants will grow.
In the current period, i.e., as at February 7th 2022 (the grant date) a final valuation of the incentive scheme was performed, which did not differ materially from the initial valuation.
The valuation was performed by an independent expert. Key assumptions adopted in the model:

- The valuation model used: Monte Carlo;
- Number of rights (number of shares / stock options): 663,238;
- Valuation date: February 7th 2022;
- (Options) exercise period: two years from February 28th 2025 to February 28th 2027;
- Expected share price volatility: 31.0%
- Vesting period and period for recognition of scheme-related costs: January 14th 2022 − August 31st 2024;

The total estimated cost of the scheme is PLN 46.5m. The value determined in the valuation allocated to the period covered by the financial statements was PLN 8.7m compared with PLN 0.8m in the previous period, and was recognised under administrative expenses (under employee benefits expense) and also under a separate corresponding item of equity (under 'Valuation of incentive scheme').

INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

FOR THE SIX MONTHS
from February 1st 2022
to July 31st 2022

INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

NOTE		February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
		unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed restated*	unaudited, unreviewed restated*
	Continuing operations				
9.1.	Revenue	1,307.7	761.5	1,142.9	768.3
9.2.	Cost of sales	-919.6	-575.1	-748.3	-542.0
	Gross profit	**388.1**	**186.4**	**394.6**	**226.3**
9.2.	Costs of points of purchase and distribution	-348.5	-180.4	-306.5	-166.4
9.2.	Administrative expenses	-36.7	-18.0	-71.3	-56.1
9.3.	Other income	40.4	37.2	14.3	9.9
9.3.	Other expenses	-10.6	-6.1	-2.6	-1.2
9.3.	(Recognition) / Reversal of loss allowances (impairment losses on receivables)	-10.4	-10.4	–	–
	Operating profit (loss)	**22.3**	**8.7**	**28.5**	**12.5**
9.3.	Finance income	52.1	42.4	176.4	168.3
9.3.	(Recognition) / Reversal of loss allowances	-77.1	-77.1	35.3	39.5
9.3.	Impairment losses on shares	–	–	-74.2	-74.2
9.3.	Finance costs	-56.4	-24.8	-47.7	-27.1
	Profit (loss) before tax	**-59.1**	**-50.8**	**118.3**	**119.0**
9.4.	Income tax	3.3	15.4	7.0	7.7
	Net profit (loss)	**-55.8**	**-35.4**	**125.3**	**126.7**
	Other comprehensive income	–	–	–	–
	Total other comprehensive income, net	**–**	**–**	**–**	**–**
	Total comprehensive income	**-55.8**	**-35.4**	**125.3**	**126.7**
	Weighted average number of ordinary shares (million)	**54.9**	**54.9**	**54.9**	**54.9**
	Basic earnings (loss) per share (PLN)	**-1.02**	**-0.64**	**2.28**	**2.31**
	Diluted earnings (loss) per share (PLN)	**-1.02**	**-0.64**	**2.28**	**2.31**

*Following change in cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

NOTE		July 31st 2022	January 31st 2022
		unaudited, reviewed	audited
	Intangible assets	4.2	4.7
	Goodwill	48.8	48.8
13.1.	Property, plant and equipment – leasehold improvements	270.4	258.3
13.1.	Property, plant and equipment – distribution	208.2	213.2
13.1.	Property, plant and equipment – other	71.5	70.4
13.2.	Right-of-use assets	443.9	494.5
9.4.	Deferred tax assets	46.0	36.8
10.	Loans	838.7	853.7
	Long-term investments	434.7	434.7
	Lease receivables	81.9	71.9
	Non-current assets	**2,448.3**	**2,487.0**
13.3.	Inventories	371.3	404.9
	Trade receivables	119.2	75.6
	Income tax receivable	20.5	13.7
10.	Loans	40.6	21.5
	Other receivables	272.8	242.5
	Cash and cash equivalents	50.4	126.1
	Lease receivables	23.7	20.8
	Current assets	**898.5**	**905.1**
	TOTAL ASSETS	**3,346.8**	**3,392.1**
12.2.	Liabilities under borrowings and bonds	566.0	574.7
	Other non-current liabilities	2.5	7.4
	Provisions	5.1	5.0
	Grants received	15.3	15.7
	Lease liabilities	533.8	552.7
	Other non-current financial liabilities	8.8	–
	Non-current liabilities	**1,131.5**	**1,155.5**
12.2.	Liabilities under borrowings and bonds	282.7	271.5
	Trade and other payables	318.5	340.4
	Other liabilities	139.5	124.3
	Provisions	84.1	47.7
	Grants received	0.6	0.6
	Lease liabilities	197.7	204.1
	Current liabilities	**1,023.1**	**988.6**
	TOTAL LIABILITIES	**2,154.6**	**2,144.1**
	NET ASSETS	**1,192.2**	**1,248.0**
	Equity		
12.1.	Share capital	5.5	5.5
	Share premium	1,148.0	1,148.0
	Retained earnings	38.7	94.5
	TOTAL EQUITY	**1,192.2**	**1,248.0**
	TOTAL EQUITY AND LIABILITIES	**3,346.8**	**3,392.1**

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED SEPARATE STATEMENT OF CASH FLOWS

NOTE		February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
		unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed	unaudited, unreviewed
	Profit (loss) before tax	**-59.1**	**-50.8**	**118.3**	**119.0**
9.2.	Depreciation	92.8	44.7	103.0	51.5
	(Gain)/loss from investing activities	9.3	7.7	-139.9	-141.0
12.2.	Borrowing costs	44.7	24.6	15.1	7.8
12.5.	Other adjustments to profit before tax	28.8	20.8	-53.6	-74.6
9.4.	Income tax paid	-18.8	-6.7	-37.5	-36.8
	Cash flow before changes in working capital	**97.7**	**40.3**	**5.4**	**-74.1**
	Changes in working capital				
	Change in inventories and inventory write-downs	33.5	38.9	-55.2	14.2
12.5.	Change in receivables	-64.3	-20.2	182.1	236.6
12.5.	Change in current liabilities, net of borrowings and bonds	3.0	-49.1	276.0	257.2
	Net cash flows from operating activities	**69.9**	**9.9**	**408.3**	**433.9**
	Proceeds from sale of property, plant and equipment	0.5	0.2	1.0	0.4
	Proceeds from settlement of leasehold improvements with landlords	23.3	12.2	10.4	7.7
10.	Repayment of loans and payment of interest	11.4	11.2	119.9	83.4
13.1.	Purchase of intangible assets and property, plant and equipment	-50.4	-36.1	-66.9	-38.1
10.	Loans	-35.2	-4.2	-840.0	-769.6
	Other investing expenditure	–	–	-70.4	-70.4
	Acquisition of Modivo S.A. shares from MKK3	–	–	-360.0	-360.0
	Recapitalisation of CCC Austria GmbH	–	–	-72.2	-72.2
	Recapitalisation of NG2 Suisse s.a.r.l.	–	–	-106.6	-106.6
	Recapitalisation of Gino Rossi S.A.	–	–	-66.0	–
	Purchase of HalfPrice Sp. z o.o.	–	–	-0.3	-0.3
	Payment from A&R Investments Limited and Cyfrowy Polsat for purchase of Modivo S.A. shares from MKK3 Sp. z o.o.	–	–	1,000.0	1,000.0
	Proceeds from sale of NG2 s.a.r.l.	–	–	2.2	2.2
	Other cash provided by investing activities	8.7	4.5	36.7	5.9
	Net cash flows from investing activities	**-41.7**	**-12.2**	**-412.2**	**-317.6**
12.2.	Proceeds from borrowings	11.6	6.3	47.2	47.2
13.2.	Lease payments	-82.8	-28.5	-64.8	-37.1
12.2.	Interest paid	-32.7	-27.0	-13.7	-7.2
	Repayment of borrowings	–	–	-47.2	-47.2
	Net cash flows from financing activities	**-103.9**	**-49.2**	**-78.5**	**-44.3**
	TOTAL CASH FLOWS	**-75.7**	**-51.5**	**-82.4**	**72.0**
	Net increase/decrease in cash and cash equivalents	-75.7	-51.5	-82.2	72.2
	Cash and cash equivalents at beginning of period	**126.1**	**–**	**199.5**	**–**
	Cash and cash equivalents at end of period	**50.4**	**-51.5**	**117.3**	**72.2**

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY

unaudited, reviewed	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TOTAL EQUITY
As at February 1st 2022	**5.5**	**1,148.0**	**94.5**	**1,248.0**
Net profit (loss) for period	–	–	-55.8	-55.8
Total comprehensive income	**–**	**–**	**-55.8**	**-55.8**
As at July 31st 2022	**5.5**	**1,148.0**	**38.7**	**1,192.2**

unaudited, reviewed	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TOTAL EQUITY
As at February 1st 2021	**5.5**	**1,148.0**	**-347.7**	**805.8**
Net profit (loss) for period	–	–	125.3	125.3
Total comprehensive income	**–**	**–**	**125.3**	**125.3**
Coverage of loss	–	-657.7	657.7	–
Total transactions with owners	**–**	**-657.7**	**657.7**	**–**
As at July 31st 2021	**5.5**	**490.3**	**435.3**	**931.1**

7. GENERAL INFORMATION

Company name:	**CCC Spółka Akcyjna**	
Registered office:	**ul. Strefowa 6, 59-101 Polkowice, Poland**	
Registry court:	**District Court for Wrocław-Fabryczna in Wrocław, 9th Commercial Division of the National Court Register**	
Entry in the National Court Register (KRS) No:	**0000211692**	
Principal business:	**The Company's principal business activity according to the European Classification of Business Activities is wholesale and retail trade in clothing and footwear (EKD 5142).**	
Management Board:	**President:**	**Marcin Czyczerski**
	Vice President:	**Karol Półtorak**
	Vice President:	**Adam Holewa**
	Vice President:	**Igor Matus**
	Vice President:	**Kryspin Derejczyk**

CCC S.A. (the "Company", the "Parent") has been listed on the Warsaw Stock Exchange since 2004.

On September 29th 2022, Adam Marciniak resigned as Vice President of the Company's Management Board, with effect from September 29th 2022.

These interim condensed separate financial statements of CCC cover the six months ended July 31st 2022 and contain comparative data for the six months ended July 31st 2021 and as at January 31st 2022. The interim condensed separate statement of comprehensive income and notes to the statement of comprehensive income contain data for the three months ended July 31st 2022 and comparative data for the three months ended July 31st 2021, which has not been audited or reviewed by an auditor.

These interim condensed separate financial statements of CCC for the six months ended July 31st 2022 were authorised for issue by the Management Board on October 25th 2022.

The Company is the parent of the CCC Group (the "CCC Group", the "Group"). The Company has also prepared interim condensed consolidated financial statements for the six months ended July 31st 2022, which were authorised for issue by the Management Board on October 25th 2022. The interim condensed consolidated financial statements of the CCC Group have been prepared in accordance with IFRS. The statements are available at the Company's website.
The interim financial results may not be indicative of the Company's potential full-year financial results.

BASIS OF ACCOUNTING

These interim condensed separate financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as endorsed by the EU ("IAS 34").
These interim condensed separate financial statements do not include all the information and disclosures required to be given or made in full-year financial statements and should be read in conjunction with the Company's separate financial statements for the year ended January 31st 2022, authorised for issue on April 20th 2022.
These financial statements have been prepared on a historical cost basis, except for derivative financial instruments measured at fair value.
The data contained in these financial statements is presented in millions of Polish złoty, unless more accurate information is provided in specific cases. The functional and reporting currency is the Polish złoty (PLN).

GOING CONCERN

These financial statements have been prepared on the assumption that the Company will continue as a going concern for the foreseeable future, i.e., for a period of at least 12 months from the reporting date.
Below in this note are presented important issues, including uncertainties concerning circumstances that may pose risks to the Group continuing as a going concern.

As at July 31st 2022, the Company's current assets were approximately PLN 124.6m lower than its current liabilities.
As presented in Notes 12.2, 12.3 and 14.1 to these financial statements, the Company's operations are financed through financial instruments, including mainly credit facilities and bonds, with the debt balance as at the reporting date of approximately PLN 848.7m.
As a result of the outbreak of the COVID-19 pandemic and the imposition of temporary restrictions on retail trade in the countries where the Company operates, a priority task faced by the Management Board was to enter into an agreement with the banks financing the operations of the Company's Group to ensure a stable level of financing for the duration of the pandemic and beyond.
Following discussions with the Group's financing institutions, long-term financing was provided to fund the Group's operations, as described in more detail in the consolidated financial statements for 2021.

Execution of the New Financing Agreement and related documents, as well as the additional financing documents referred to above, between CCC S.A., its subsidiaries, Modivo S.A. and financial institutions, was part of the CCC Group's debt refinancing efforts aimed at ensuring a stable long-term financing level for the Group, consistent with the business objectives under the GO.22 strategy and key strategic projects covered by that strategy.

In response to material developments in the Group's business environment in 2020 and 2021 following the outbreak of the COVID-19 pandemic, the Management Board decided to prepare an update of the CCC Group's GO.22 strategy, first adopted in January 2020.
The updated GO.25 Everything Fashion. Omnichannel Platform strategy was adopted and released in November 2021, and its key objectives to be delivered by 2025 are discussed at length in the annual Directors' Report on the Group's operations in the 'CCC Group's strategy' section. Execution and growth plans

The strategy includes a budget approved by the Supervisory Board and subsequently updated to represent a financial model prepared for the extension of financing provided by BGK, as described below. The model contains assumptions concerning:

- increase in sales generated by the CCC Business Unit,
- margin improvement in the CCC segment,
- opening of new HalfPrice and CCC stores,
- cost discipline and optimisation of labour costs,
- improvement of cost efficiency in logistics, marketing and IT.

The financial model was prepared on the assumption that there would be no shopping mall closures, no restrictions on trade, and no material changes in the business conducted in Ukraine through franchisees in relation to the current conditions.

Implementation and delivery of all the measures, objectives, plans and financial projections described above are subject to numerous future risks and uncertainties.

In December 2021 and January 2022, the Group saw a decline in its sales performance due to the persistently high COVID-19 incidence rates, which affected footfall rates in shopping malls as well as sales figures generated in the last months of the financial year.
Moreover, in February 2022 Russia's aggression against Ukraine began, leading to a slowdown in sales in February and March 2022 and adversely affecting the overall macroeconomic situation in Poland and abroad.
In Ukraine, the Group operates via a franchise model, hence the Group's assets other than trade receivables allocated to that market as at the reporting date were immaterial. The Group had 39 stores in Russia, which were operated by a subsidiary. In 2021, combined sales in Ukraine and Russia accounted for 2.37% of the CCC Group's overall revenue.

On May 17th 2022, the shares in the Russian subsidiary were sold outside the CCC Group. The sale of the shares was accounted for in these financial statements of the Group. The transaction is described in more detail in Section 6.3 'Discontinued Operations' of the consolidated financial statements.

The Management Board of the CCC Group has identified the following as factors which may bear on the implementation of the Group's financial model for 2022, including in view of the volatile conditions in the financial markets and as a result of possible changes in consumer behaviour:

- Further developments in Ukraine and Russia, which could have a significant, yet still difficult to predict, impact on many aspects of the business and its external environment described below;
- Macroeconomic risks, including higher commodity prices and higher salaries affecting the purchase prices of goods, capital expenditure amounts, as well as higher operating expenses, in particular in transport and logistics;
- Decline in consumer demand for products offered by the Group as a result of changing macroeconomic conditions (rising inflation, interest rates, etc.), as well as the Group's potential decisions to raise the prices of merchandise;
- Exchange rate movements affecting the performance of foreign operations and the cost of goods purchase, as well as rental costs;
- Fiercer competition in the market environment, especially in terms of product prices having an effect on the results generated in the course of day-to-day operations;
- Occurrence of unplanned and/or unforeseen changes in fashion trends and weather conditions;
- Changes in consumer behaviour due to the COVID-19 pandemic and the migration crisis, or postponement of purchasing decisions;
- Delivery of worse-than-expected results relative to plans and projections, including failure to achieve the assumed levels of sales and margins in individual months;
- Materialisation of operational risks;
- Occurrence of non-business factors, including further impact of the COVID-19 pandemic;
- Volatility on the financial markets, which may prevent the initial public offering of Modivo S.A. shares to be carried out as planned.
- Results of talks with the financing institutions on further financing for the Group, as described below.

The risks and extraordinary circumstances identified above are a source of significant uncertainty regarding the delivery of the financial plans for 2022, including compliance with the financial covenants under the agreements financing the Group's operations, and thus also the Group's ability to continue as going concerns.

Under the financing agreements concluded by the Group, the Group is required to comply with certain financial covenants, separately for the CCC business unit and for the Modivo business unit, which were complied with in the financial year ended January 31st 2022 and as at that date. Based on the 2022 financial model prepared by the Management Board, the Group expects to meet the financial covenants set forth in those agreements, including in particular with respect to the reported EBITDA for individual interim periods, as well as the net debt/EBITDA and DSCR ratios as at the end of the following financial year.
In particular, with respect to the ratios which the Group is obliged to maintain as at July 31st 2022, as calculated by the Group's Management Board, the terms of the financing agreements were not breached. In accordance with the agreement, formal confirmation of the fulfilment of the financing terms is to be made within a specified period after the date of issue of the Group's consolidated financial statements.

The main efforts undertaken by the Management Board include continued talks with the Group's financing banks on extension of the financing granted to the Group under the Common Terms Agreement as regards the liquidity guarantee of up to PLN 250m extended by Bank Gospodarstwa Krajowego (BGK), which expires on October 30th 2022, and other financing of the Group. As a result of these talks, a Term Sheet was agreed on October 12th 2022 (with respect to the Common Terms Agreement as regards the liquidity guarantee of up to PLN 250m extended by Bank Gospodarstwa Krajowego (BGK)) and on October 19th 2022 (with respect to the remaining financing amount), which defines further terms of cooperation with regard to the level of the financial ratios set out in the financing agreements starting from October 31st 2022. The ratios were reduced for the following reporting dates, as described in detail in Section 21.3 'Covenants/financial ratios' of the Directors' Report.
Under the Term Sheet of October 12th 2022, the financing agreements were extended for another 24 months, for the amount of PLN 250m. The talks are to be concluded and the relevant documents are to be signed by October 29th 2022.

Changes in the ratios were also confirmed by the bondholders with respect to bond issue agreements, containing the same ratios, as confirmed on October 24th 2022 by the Bondholders Meeting convened to obtain the Bondholders Meeting's consent to change selected financial ratios and to amend the Terms and Conditions of the Bonds.

For the remaining part of the financing, maturing in the first half of 2023, the Group plans to extend the duration of the financing. Talks with banks regarding this matter will be held in the fourth quarter of 2022 and in the first quarter of 2023. Details, including new maturities, regarding this part of the debt depend on the final arrangements made with the banks financing the Group's operations. Information on the current maturities of the Group's credit facilities and bonds is presented in Note 4.2 on the Group's debt.

Moreover, the Management Board of CCC S.A. convened an Extraordinary General Meeting of CCC S.A. for November 17th 2022. The General Meeting has been convened at the request of the Company's main shareholder Ultro S.a.r.l. (a subsidiary of Dariusz Miłek) to vote on a share capital increase resolution. The request contains a non-binding intention to provide equity financing of up to approximately PLN 500m, to be applied to finance the Company's working capital, if the Company issues new shares with the pre-emptive rights of existing shareholders waived.

In addition, the Company's Management Board is considering the options to raise capital by way of a leaseback of selected property, plant and equipment owned by the CCC Group companies, raise new financing (debt or equity) for selected entities or business lines of the Group (e.g., HalfPrice), as announced by the Group in a current report. The initial public offering of Modivo S.A. is also being prepared.

The Management Board has prepared a detailed analysis of the financial model's sensitivity over the next 12 months, as well as scenarios of alternative measures, calculated the expected values of the financial ratios and compared them with the expectations of the banks financing the Group's operations, taking into account the risks, events and actions described above.
The key element of that analysis were parameters that could cause underperformance relative to the objectives set out in the 2022 financial plan and failure to achieve the financial covenants that the Group, including separately for the CCC business unit and for the Modivo business unit, is required to comply with under its financing agreements.

In the Management Board's opinion, a number of measures are also available to offset the adverse effect of the risks listed above on the Group's financial performance. The measures include cost savings in relation to the financial model as well as working capital optimisation.
The Management Board has taken appropriate measures in order to implement the plans set out in the financial model and in the agreements with the institutions financing the Group's operations, including the CCC Business Unit, and to ensure the Group and its business units (CCC and Modivo) retain liquidity even if their sales and/or margins come in below the target levels.

Should such measures prove insufficient for delivering the objectives set out in the budget, the Management Board may take steps to procure dividend payments from subsidiaries, which would enable the achievement of target performance and compliance with the financial covenants under the credit facility agreements.

In conclusion, despite the risks mentioned above, the Company's Management Board, based on the budget for 2022, including the analyses and scenarios of alternative measures described above, and considering the execution of the Term Sheet and obtaining bondholders' consent to reduce required levels of financial ratios and other agreements for the financing of the Group's operations, is absolutely convinced that adequate preventive measures have been taken or prepared to ensure that these risks are fully mitigated and the Group's plans are carried out, and has therefore drawn up the attached financial statements on a going concern basis.

EFFECT OF CHANGES IN THE ECONOMIC SITUATION ON THE VALUATION OF ASSETS AND LIABILITIES OF CCC S.A.

Inventory write-downs
For more information, see Note 13.3.

Impairment losses on shares

As at July 31st 2022, following an assessment of indications of impairment of shares in subsidiaries and associates, no need to conduct an impairment test was identified. In the period for which these interim condensed separate financial statements were prepared, no impairment losses on shares in subsidiaries and associates were recognised.

Expected credit losses (ECL)

The Company assesses expected credit losses ("ECL") associated with debt instruments measured at amortised cost and fair value through other comprehensive income, regardless of whether there is any indication of impairment.
With respect to short-term trade receivables without a significant financing component, lease receivables and other receivables, the Company applies the simplified approach provided for in IFRS 9 and measures impairment losses in the amount of credit losses expected over the entire lifetime of a receivable since its initial recognition.
In the case of receivables for which a case-by-case approach is justified, the Company measures the probability of default based on market data published by Moody's.
With respect to those assets, the Company identified the risk of default and recognised an impairment loss of PLN 0.8m on trade receivables, PLN 2.8m on lease receivables, and PLN 6.8m on other receivables.
Another group of assets exposed to credit losses are loans. The Company identified the risk of default on those assets and thus recognised an impairment loss of PLN 204.7m as at the reporting date (January 31st 2022: PLN 163.7m). The Company also measures the risk under sureties issued (financial guarantees). The Company recognised an allowance for expected credit losses (ECL) on financial guarantees of PLN 80.4m (January 31st 2022: PLN 44.3m).
The increase in impairment losses on trade receivables, lease receivables, other receivables, loans and in the allowance for expected credit losses on financial guarantees was attributable to changes in market conditions, which led to an increase in the probability of default, but the Company is of the opinion that there was no major change in the credit risk related to the individual financial instruments relative to January 31st 2022.
For detailed information on loss allowances, see Notes 9.3 and 10.

Impairment of property, plant and equipment, intangible assets, goodwill and rights-of-use assets

As at July 31st 2022, following an assessment of indications of impairment of property, plant and equipment, intangible assets, goodwill and right-of-use assets, no need to conduct an impairment test was identified. In the period for which these interim condensed separate financial statements were prepared, no impairment losses on the above assets were recognised.

Other accounting matters and issues

As at the date of these interim condensed separate financial statements, the Company did not identify any material risks related to potential breach of the terms of its existing trade and supply contracts.

As a result of the execution of financing agreements with banks, bondholders and other institutions, the Company is required to comply with a number of covenants, as described in detail in Section 21 'Management of financial resources and liquidity' of the Directors' Report on the Group's operations.

As at July 31st 2022, in the opinion of the Management Board none of the covenants were breached during the reporting period and until the date of authorisation of these financial statements for issue.

Based on its financial projections for subsequent reporting periods, the Company believes that the recognised deferred tax asset is recoverable.

STATEMENT OF ACCOUNTING POLICIES

The accounting policies applied by CCC S.A. did not change relative to those applied and disclosed in the full-year financial statements for the financial year February 1st 2021 – January 31st 2022, except for the application of new or amended standards and interpretations effective for annual periods beginning on or after February 1st 2022.

The Company changed the presentation of costs of points of purchase and other distribution costs in the separate statement of comprehensive income. As of February 1st 2022, these costs are presented as a single cost item headed *Costs of points of purchase and distribution*. Also, the Company changed the presentation of costs by nature of expense by aggregating costs of other services and other expenses into a single item and by identifying a separate cost item headed *Advertising*. In the Company's opinion, these changes reflect the substance of cost aggregation and classification and the method used by management to analyse the items concerned. To ensure data comparability, the comparative data was restated accordingly.

The duration of the Company is unlimited.

New and amended accounting standards

The amended standards and interpretations which apply for the first time in 2022 do not have a material impact on the Company's interim condensed separate financial statements:

- Amendments to IAS 16: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to IFRS 3: Business Combinations – Reference to the Conceptual Framework
- Annual Improvements to IFRSs 2018–2020 Cycle.

The Company did not elect to early adopt any of the standards, interpretations or amendments that have been issued but are not yet effective in accordance with the European Union regulations.

FACTORS WITH MATERIAL BEARING ON THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

Statement of comprehensive income

Revenue
The year-on-year revenue increase of PLN 164.8m was driven mainly by the roll-out of the omnichannel model at the Company and the expansion of the range of products available. The Company reported a strong (85%) revenue increase in the digital channel. Year on year, CCC's retail revenue rose 5%. In assessing the revenue growth, note should be taken of the temporary closure of offline stores at the beginning of 2021 due to the spread of the COVID-19 pandemic.

Cost of sales
Cost of sales grew 23% year on year, mainly due to the development of CCC's digital channel.

Costs of points of purchase and distribution
Costs of points of purchase and distribution increased by 14% year on year, driven mainly by:

- PLN 33.1m increase in salaries, wages and employee benefits expense, attributable mainly to higher salaries and wages,
- PLN 6.2m increase in other rental costs (sales-based rents and variable costs: utilities, electricity, etc.) attributable to renegotiation of lease contracts – shift from fixed rents to variable, sales-based rents,
- lower depreciation expense on right-of-use assets (down PLN 13.8m) due to renegotiation of lease contracts.

Administrative expenses
The 49% year-on-year decrease in administrative expenses was attributable to a PLN 20.2m decrease in salaries, wages and employee benefits, mainly due to the bonus for the Management Board recognised in costs for 2021, and a PLN 19.8m decrease in other expenses by nature as a result of lower expenditure on outsourcing and consultancy services.

Other operating income and expenses
Other expenses increased by PLN 8.0m year on year, to PLN 10.6m. The increase in other expenses was mainly attributable to the liquidation and disposal of property, plant and equipment (closure of points of purchase operating under the CCC brand).

The allowance for expected credit losses on trade receivables, other receivables and lease receivables was PLN 10.4m. For more information, see Note 9.3.

As a result, operating result for the six months ended July 31st 2022 was PLN 22.3m, down by PLN 6.2m year on year.

Finance costs and income
In the reporting period, finance income amounted to PLN 52.1m and included mainly the result on sale of shares to Gino Rossi S.A., in the amount of PLN 21.9m, interest income of PLN 16.0m, and measurement of a derivative financial instrument embedded in issued PFR – Equity Kicker bonds of PLN 10.5m. For more information, see Note 9.3.

On July 21st 2022, CCC S.A. sold 182,192,764 shares in the share capital to Gino Rossi S.A., representing 99% of Gino Rossi S.A.'s share capital, with a view to their voluntary cancellation. Proceeds from the transaction amounted to PLN 21.9m. A 100% impairment loss has been recognised on all Gino Rossi S.A. shares, both as at the current reporting date and the reporting date of the previous period. As at the reporting date, CCC S.A. held 1,840,330.95 shares with a par value of PLN 1,539,715.98 (carrying amount of PLN 0.0m).

Finance costs amounted to PLN 56.4m and included mainly interest expense on borrowings and bonds of PLN 37.0m, interest on leases of PLN 6.1m, and foreign exchange gains of PLN 11.5m.

Net of income tax of PLN 3.3m, CCC S.A.'s net loss for the six months ended July 31st 2022 was PLN 55.8m, up by PLN 181.1m year on year.

Statement of financial position

Assets
As at July 31st 2022, CCC S.A.'s total assets amounted to PLN 3,346.8m, down PLN 45.3m on January 31st 2022.

As at July 31st 2022, non-current assets amounted to PLN 2,448.3m, down by PLN 38.7m on the end of the previous year.

Property, plant and equipment – investments in stores as at July 31st 2022 amounted to PLN 270.4m, up PLN 12.1m on January 31st 2022. The change includes depreciation and amortisation of PLN 27.8m, expenditure of PLN 45.4m. The net value of liquidated investments in stores in the reporting period was PLN 5.5m.

As at the reporting date, the right-of-use assets were PLN 443.9m, down PLN 50.6m on January 31st 2022. The change is attributable to settlements related to existing lease contracts, contract modifications, which result, among other things, in a switch from fixed to sales-based rents, leading to non-recognition of a right of use or a lease liability (variable lease payments which do not depend on an index or rate are not included in the measurement of a lease liability, but charged to profit or loss in the period when an event or condition triggering the payments occurs or is fulfilled).

As at the reporting date, long-term and short-term loans amounted to PLN 879.3m, up PLN 4.1m on the end of the previous year. For detailed information on loans and allowances for expected credit losses, see Note 10.

Long-term and short-term lease receivables amounted to PLN 105.6m, up PLN 12.9m on January 31st 2022. The increase was mainly attributable to the execution of new lease contracts of PLN 12.9m, modification of existing sublease contracts of PLN 8.0m, and repayment of receivables of PLN 8.7m.

Long-term investments include newly registered subsidiaries: OÜ CCC Estonia, UAB CCC Lithuania and SIA CCC Shoes Latvia. The total par value of the shares in these entities did not exceed PLN 50 thousand.

Current assets fell by PLN 6.6m relative to January 31st 2022. The change is mainly attributable to a PLN 75.7m decrease in cash as a consequence of financing provided to related parties (loans), with a concurrent payment of current liabilities, and a PLN 33.6m decrease in inventories due to the seasonality of this balance-sheet item (for detailed information on inventories, see Note 13.3). More information about seasonality is presented in the Directors' Report on the operations of the CCC Group. (20.2.).

Trade receivables increased by PLN 43.6m year on year. The PLN 30.3m increase in other receivables relative to January 31st 2022 was mainly attributable to the sale of shares to Gino Rossi S.A., described in the section on changes in the statement of comprehensive income.

Non-current liabilities
Other non-current financial liabilities of PLN 8.8m are related to the fair value measurement of the derivative instrument containing a potential obligation under an Equity Kicker related to the issue of bonds subscribed for by PFR Inwestycje Fundusz Inwestycyjny Zamknięty. For detailed information on long-term financial liabilities and liabilities under borrowings and bonds, see Notes 12.2 and 12.3.

Current liabilities
Trade and other payables fell by PLN21.9m on January 31st 2022.

The increase in current provisions resulted from recognised allowances for expected credit losses on sureties (financial guarantees), discussed in more detail in Note 10.

As at July 31st 2022, equity stood at PLN 1,192.2m and decreased by PLN 55.8m compared with January 31st 2022 due to a net loss of PLN 55.8m for the six months ended July 31st 2022.

Statement of cash flows

In the six months ended July 31st 2022, net cash provided by operating activities was PLN 69.9m, including mainly pre-tax profit of PLN 59.1m, plus depreciation and amortisation of PLN 92.8m, loss on investing activities of PLN 9.3m (mainly on liquidation and disposal of property, plant and equipment), borrowing costs of PLN 44.7m, other pre-tax adjustments of PLN 28.8m relating mainly to income from accrued interest on loans, accrued interest on late payments, change in provisions for sureties and guarantees for credit facilities, and change in allowances for expected credit losses. Net cash provided by operating activities also included a negative effect of a PLN27.8m increase in net capital employed.

Net cash used in investing activities in the six months ended July 31st 2022 amounted to PLN 41.7m. It included mainly expenditure of PLN 50.4m on acquisition of property, plant and equipment and intangible assets, and expenditure on intra-group loans of PLN 35.2m, as well as proceeds of PLN 23.3m from settlement of investments in stores with tenants, and proceeds of PLN 11.4m from repayment of loans.

Net cash provided by financing activities in the six months ended July 31st 2022 was PLN 103.9m and included mainly proceeds from borrowings of PLN 11.6m, interest payments of PLN 32.7m, and payments of lease liabilities of PLN 82.8m.

In the six months ended July 31st 2022, cash decreased by PLN 75.7m, to PLN 50.4m as at July 31st 2022.

8. SEGMENTS

The Company applies the exemption for segment disclosures under IFRS 8 par. 4, therefore the analysis of the Company's operating segments was presented in the consolidated financial statements of the Group.
For detailed information on seasonality and periodic changes in sales, see Section 18.2 'Seasonality' of the Directors' Report.

(all amounts in PLN million unless stated otherwise)

9. NOTES TO THE INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

9.1. REVENUE

Revenue from contracts with customers by category is presented below.

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed	unaudited, unreviewed
Revenue				
Footwear	819.8	479.4	785.8	574.7
Bags	50.1	30.0	48.7	32.0
Other [1]	71.2	38.2	57.7	37.3
CCC retail	**941.1**	**547.6**	**892.2**	**644.0**
Footwear	261.1	154.7	138.3	60.2
Bags	17.9	10.2	12.4	5.7
Other [1]	3.4	2.8	2.0	0.8
Digital CCC	**282.4**	**167.7**	**152.7**	**66.7**
Footwear	–	–	10.1	9.9
Clothing	–	–	23.4	22.5
Other [1]	–	–	6.7	6.7
HalfPrice	**–**	**–**	**40.2**	**39.1**
Services	84.2	46.2	57.8	18.5
Total	**1,307.7**	**761.5**	**1,142.9**	**768.3**

[1] Other includes primarily (by value) clothing, shoe cosmetics, insoles, belts, wallets, socks, jewellery and accessories.

The Company conducts retail and digital sales to retail customers, and sales to none of the customers exceeded 10% of total revenue.
The absence of revenue under the HalfPrice business line follows from the fact that on August 4th 2021 an organised part of the enterprise comprising assets of the HalfPrice segment was spun off and transferred to HalfPrice Sp. z o.o. Since the date of that event, sales made through channels operating under the HalfPrice business line have not been recognised by CCC S.A.

Revenue was reduced following the recognition of a PLN 4.7m liability under contracts with customers (in the corresponding period of the previous year the liability changed by PLN 2.2m). As at the reporting date, the liability under contracts with customers amounted to PLN 9.8m, compared with PLN 14.5m as at January 31st 2022.

(all amounts in PLN million unless stated otherwise)

9.2. COSTS BY NATURE OF EXPENSE

February 1st–July 31st 2022	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
unaudited, reviewed				
Cost of merchandise sold	-913.2	–	–	-913.2
Raw material and consumables used	–	-9.8	-4.4	-14.2
Inventory write-downs	-6.4	–	–	-6.4
Salaries, wages and employee benefits	–	-140.9	-11.4	-152.3
Transport services	–	-20.3	-0.1	-20.4
Rental costs – utilities and other variable costs	–	-57.3	-0.9	-58.2
Advertising	–	-1.3	-1.0	-2.3
Depreciation	–	-87.6	-5.6	-93.2
Taxes and charges	–	-9.2	-0.7	-9.9
Other expenses	–	-22.1	-12.6	-34.7
Total	**-919.6**	**-348.5**	**-36.7**	**-1,304.8**

May 1st–July 31st 2022	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
unaudited, unreviewed				
Cost of merchandise sold	-568.9	–	–	-568.9
Raw material and consumables used	0.2	-5.1	-1.7	-6.6
Inventory write-downs	-6.4	–	–	-6.4
Salaries, wages and employee benefits	–	-73.4	-5.7	-79.1
Transport services	–	-14.8	-0.1	-14.9
Rental costs – utilities and other variable costs	–	-29.9	-0.4	-30.3
Advertising	–	-0.2	-0.7	-0.9
Depreciation	–	-41.0	-4.0	-45.0
Taxes and charges	–	-5.3	-0.2	-5.5
Other expenses	–	-10.7	-5.2	-15.9
Total	**-575.1**	**-180.4**	**-18.0**	**-773.5**

February 1st–July 31st 2021	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
unaudited, reviewed, restated*				
Cost of merchandise sold	-746.8	–	–	-746.8
Raw material and consumables used	-0.1	-8.0	-2.4	-10.5
Inventory write-downs	-1.4	–	–	-1.4
Salaries, wages and employee benefits	–	-107.8	-31.6	-139.4
Transport services	–	-12.5	-0.1	-12.6
Rental costs – utilities and other variable costs	–	-51.1	-1.3	-52.4
Advertising	–	-2.6	-0.1	-2.7
Depreciation	–	-101.4	-2.5	-103.9
Taxes and charges	–	-8.2	-0.9	-9.1
Other expenses	–	-14.9	-32.4	-47.3
Total	**-748.3**	**-306.5**	**-71.3**	**-1,126.1**

*Following change in cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

(all amounts in PLN million unless stated otherwise)

May 1st–July 31st 2021	**COST OF SALES**	**COSTS OF POINTS OF PURCHASE AND DISTRIBUTION**	**ADMINISTRATIVE EXPENSES**	**TOTAL**
unaudited, unreviewed, restated*				
Cost of merchandise sold	-537.3	–	–	-537.3
Raw material and consumables used	-0.1	-6.2	-1.2	-7.5
Inventory write-downs	-4.6	–	–	-4.6
Salaries, wages and employee benefits	–	-59.3	-27.7	-87.0
Transport services	–	-9.7	-0.1	-9.8
Rental costs – utilities and other variable costs	–	-23.2	-0.7	-23.9
Advertising	–	-2.1	–	-2.1
Depreciation	–	-50.3	-1.3	-51.6
Taxes and charges	–	-5.7	-0.7	-6.4
Other expenses	–	-9.9	-24.4	-34.3
Total	**-542.0**	**-166.4**	**-56.1**	**-764.5**

*Following change in cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

9.3. OTHER INCOME AND EXPENSES, FINANCE INCOME AND COSTS

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed	unaudited, unreviewed
Other income				
Gain on disposal of property, plant and equipment	–	-0.2	–	–
Foreign exchange gains on items other than debt	–	–	0.4	0.3
Compensation	0.5	0.2	–	–
PFRON wage subsidies	1.6	0.8	1.5	0.8
Grants	0.3	0.1	1.0	1.0
Gain on settlement of contracts with landlords	1.4	0.6	1.0	0.3
Gain on settlement of lease contracts	13.4	13.2	5.4	5.1
Late payment interest	21.8	21.8	–	–
Other income	1.4	0.7	5.0	2.4
Total other income	**40.4**	**37.2**	**14.3**	**9.9**

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed	unaudited, unreviewed
Other expenses				
Loss on disposal of property, plant and equipment	-6.9	-5.4	-2.1	-1.0
Other	-3.7	-0.7	-0.5	-0.2
Total other expenses	**-10.6**	**-6.1**	**-2.6**	**-1.2**

(all amounts in PLN million unless stated otherwise)

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed	unaudited, unreviewed
(Recognition)/Reversal of loss allowances (impairment losses on receivables)				
(Recognition)/Reversal of impairment losses on trade receivables	-0.8	-0.8	–	–
(Recognition)/Reversal of impairment losses on other receivables	-6.8	-6.8	–	–
(Recognition)/Reversal of impairment losses on lease receivables	-2.8	-2.8	–	–
(Recognition)/reversal of total loss allowances	**-10.4**	**-10.4**	**–**	**–**

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed	unaudited, unreviewed
Finance income				
Interest income on cash in current account and other interest income	16.0	8.1	11.9	7.4
Gain (loss) on sale of NG2 Suisse s.a.r.l. shares	–	–	2.2	2.2
Gain (loss) on sale of Modivo S.A. shares	–	–	140.0	140.0
Gain (loss) on sale of Gino Rossi S.A. shares	21.9	21.9	–	–
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	10.5	10.5	–	–
Other finance income	0.1	0.1	1.4	-2.2
Guarantees and sureties provided	3.6	1.8	20.9	20.9
Total finance income	**52.1**	**42.4**	**176.4**	**168.3**

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed	unaudited, unreviewed
Finance costs				
Interest on borrowings and bonds	-37.0	-19.7	-6.1	-3.4
Interest on leases	-6.1	-3.3	-9.8	-4.8
Foreign exchange gains (losses)	-11.5	-1.1	-8.9	-5.3
Commission fees paid	-0.2	0.1	-6.9	-1.5
Guarantees received	-1.6	-0.8	-16.0	-12.1
Total finance costs	**-56.4**	**-24.8**	**-47.7**	**-27.1**

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed	unaudited, unreviewed
(Recognition) / reversal of provisions for sureties provided for credit facilities used by subsidiaries	-36.1	-36.1	25.5	25.5
(Recognition) / reversal of impairment losses on loans and other financial receivables	-41.0	-41.0	-26.8	-22.6
(Recognition) / reversal of provisions for guarantee of trade payables of subsidiary	–	–	36.6	36.6
(Recognition)/reversal of total loss allowances	**-77.1**	**-77.1**	**35.3**	**39.5**

(all amounts in PLN million unless stated otherwise)

	February 1st–July 31st 2022	May 1st–July 31st 2022	February 1st–July 31st 2021	May 1st–July 31st 2021
	unaudited, reviewed	unaudited, unreviewed	unaudited, reviewed	unaudited, unreviewed
Impairment losses on shares	–	–	-74.2	-74.2
Total impairment losses on shares	**–**	**–**	**-74.2**	**-74.2**

9.4. TAXATION

	February 1st–July 31st 2022	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed
Profit (loss) before tax	**-59.1**	**118.3**
Income tax rate	19%	19%
Tax calculated at weighted average tax rate	11.2	-22.5
Costs not deductible for tax purposes: impairment loss on shares in subsidiaries	–	-26.6
Costs not deductible for tax purposes: impairment losses on receivables and loans	-9.8	–
Costs not deductible for tax purposes: measurement of sureties	-6.9	–
Other costs not deductible for tax purposes	-0.7	-2.5
Interest permanently not deductible for tax purposes	-2.0	–
Result of CCC Shoes&Bags Sp. z o.o.	-0.5	-0.9
Realisation of the temporary difference for which no deferred tax was recognised	–	53.9
Reversal of provisions and impairment losses which were treated as permanent differences	29.0	12.8
Tax relating to previous year	-0.2	-7.2
Loss on capital sources of income, to be used	-24.8	–
Temporary differences from previous years in respect of which no deferred tax was recognised	3.8	–
Other	4.2	–
Income tax expense	**3.3**	**7.0**

(all amounts in PLN million unless stated otherwise)

10. LOANS

As at July 31st 2022, loans amounted to PLN 879.3m, including the short-term portion of PLN 40.6m and the long-term portion of PLN 838.7m. In the reporting period, the Company:

- granted loans of PLN 35.2m,
- charged interest of PLN 16.0m,
- received repayment of loans and interest of PLN 11.4m,
- recognised an impairment loss on loans of PLN 41.0m. The increase in the impairment loss was mainly attributable to a loan granted to CCC.eu Sp. z o.o. In the reporting period, the impairment loss increased by PLN 39.2m.

The table below presents the carrying amount of loans as at the reporting date, by borrower:

July 31st 2022 unaudited, reviewed	**Gross carrying amount**	**Impairment loss**	**Net carrying amount**	**Level**
CCC Obutev d.o.o.	2.0	–	2.0	1
CCC Shoes Bulgaria EOOD	9.8	-0.1	9.7	1
CCC Shoes &Bags Beograd-Stari	1.6	–	1.6	1
CCC.eu Sp. z o.o.	904.6	-72.3	832.3	1
HR Group Holding s.a.r.l	102.1	-102.1	–	3
HR Group GmbH &Co.KG	28.1	-28.1	–	3
HalfPrice Sp. z o.o.	31.5	-1.9	29.6	1
UAB CCC Lithuania	0.9	–	0.9	1
SIA CCC Shoes Latvia	2.1	-0.1	2.0	1
OU CCC Estonia	1.3	-0.1	1.2	1
Total	**1,084.0**	**-204.7**	**879.3**	

January 31st 2022 audited	**Gross carrying amount**	**Impairment loss**	**Net carrying amount**	**Level**
CCC Obutev d.o.o.	1.9	–	1.9	1
CCC Hrvatska d.o.o.	1.1	–	1.1	1
CCC Shoes Bulgaria EOOD	9.4	-0.1	9.3	1
CCC Shoes &Bags Beograd-Stari	1.5	–	1.5	1
CCC.eu Sp. z o.o.	884.7	-33.1	851.6	1
DeeZee Sp. z o.o.	10.1	-0.3	9.8	1
HR Group Holding s.a.r.l	102.1	-102.1	–	3
HR Group GmbH &Co.KG	28.1	-28.1	–	3
Total	**1,038.9**	**-163.7**	**875.2**	

Impairment losses on loans	**February 1st–July 31st 2022**	**February 1st 2021–January 31st 2022**
	Unaudited, reviewed	Audited
At beginning of period	**-163.7**	**-252.0**
Recognised	-41.0	-24.7
Other changes related to the restructuring of loans to Gino Rossi S.A. and Karl Voegele AG	–	113.0
At end of period	**-204.7**	**-163.7**

(all amounts in PLN million unless stated otherwise)

As at July 31st 2022, the Company recognised a provision for credit risk related to sureties provided of PLN 80.4m (January 31st 2022: PLN 44.3m). It mainly covered sureties provided by the Company for credit facilities used by the subsidiary CCC.eu Sp. z o.o. of PLN 77.8m (as at January 31st 2022: PLN 42.9m). The provision for expected credit losses on financial guarantees is presented under "Provisions" in the separate statement of financial position.

Credit sureties provided as at July 31st 2022	**Maximum exposure**	**Level**	**Provision**
unaudited, reviewed			
CCC.eu Sp. z o.o.	1,157.9	1	77.8
CCC Factory Sp. z o.o.	38.9	1	2.5
CCC Hungary Shoes Kft.	6.9	1	0.1
Total	**1,203.7**		**80.4**

Credit sureties provided as at January 31st 2022	**Maximum exposure**	**Level**	**Provision**
audited			
CCC.eu Sp. z o.o.	1,159.8	1	42.9
CCC Factory Sp. z o.o.	41.4	1	1.2
CCC Hungary Shoes Kft.	6.7	1	0.2
Total	**1,207.9**		**44.3**

(all amounts in PLN million unless stated otherwise)

11. RELATED-PARTY TRANSACTIONS

In the presented periods, the Company entered into the following transactions with its subsidiaries, associates and entities related to it through key management personnel:

	Liabilities to related parties (including financing liabilities)	Receivables from related parties (including loans)	Liabilities to related parties (including financing liabilities)	Receivables from related parties (including loans)
	July 31st 2022	July 31st 2022	January 31st 2022	January 31st 2022
	unaudited, reviewed	unaudited, reviewed	audited	audited
SUBSIDIARIES	655.8	1,265.2	688.2	1,152.3
ASSOCIATES	–	–	–	–
ENTITIES RELATED TO KEY MANAGEMENT PERSONNEL	0.3	–	0.7	–
Total	**656.1**	**1,265.2**	**688.9**	**1,152.3**

	Proceeds from related-party transactions	Purchases from related parties	Proceeds from related-party transactions	Purchases from related parties
	February 1st–July 31st 2022	February 1st–July 31st 2022	February 1st–July 31st 2021	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed	unaudited, reviewed, restated	unaudited, reviewed, restated
SUBSIDIARIES	92.1	893.6	136.2	781.8
ASSOCIATES	–	–	8.0	–
ENTITIES RELATED TO KEY MANAGEMENT PERSONNEL	–	11.1	1.1	2.4
Total	**92.1**	**904.7**	**145.3**	**784.2**

All related-party transactions were entered into on an arm’s length basis.

(all amounts in PLN million unless stated otherwise)

12. DEBT; CAPITAL AND LIQUIDITY MANAGEMENT

12.1. CAPITAL MANAGEMENT

The purpose of capital risk management is to protect the Company's ability to continue its operations so as to ensure a return on capital for the shareholders and benefits for other stakeholders, and to maintain a cost-optimised capital structure.
In accordance with the Company's policy, the amount of dividend may not be lower than 33% or higher than 66% of the Group's consolidated net profit attributable to owners of the parent, provided that the ratio of net debt to EBITDA (understood as operating profit (loss) before depreciation and amortisation) as at the end of the financial year for which the dividend is to be distributed is less than 3.0. Under the Financing Agreement of June 21st 2021, dividend may be paid on satisfaction of certain conditions, including: The Net Exposure / EBITDA ratio for the CCC Group (excluding Modivo S.A. and its subsidiaries) lower than 2.5, with the proviso that the dividend may not be paid earlier than two years after the execution of the said agreement – details of the covenants are described in the Directors' Report on the Group's operations in the 'Management of financial resources and liquidity' section. For detailed information on the dividend policy, see the Directors' Report on the Group's operations.
To maintain or adjust the capital structure, the Company may adjust the amount of dividends declared to be paid to shareholders, return capital to shareholders, issue new shares or sell assets in order to reduce debt.
Similarly to other entities in the industry, the Company monitors its capital using the debt ratio. The ratio is calculated as net debt to total equity. Net debt is calculated as total borrowings (comprising short- and long-term credit facilities and bonds issued as disclosed in the separate statement of financial position) less cash and cash equivalents. The total amount of capital is calculated as the sum of the equity disclosed in the statement of financial position and the net debt.

EARNINGS (LOSS) PER SHARE

In the six months ended July 31st 2022, basic and diluted loss per share was PLN 1.02. In the six months ended July 31st 2021, basic and diluted earnings per share were PLN 2.28.

	February 1st–July 31st 2022	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed
Weighted average number of shares	54,868,000	54,868,000
TOTAL	**54,868,000**	**54,868,000**
Net profit (loss) [PLNm]	-55.8	125.3
Basic earnings (loss) per share (PLN)	-1.02	2.28
Diluted earnings (loss) per share (PLN)	-1.02	2.28

DIVIDEND

On June 15th 2022, the Annual General Meeting of CCC S.A. passed Resolution No. 5/ZWZA/2022 to allocate the net profit of PLN 442.2m for the financial year February 1st 2021 – January 31st 2022 to the Company's statutory reserve funds (in accordance with the Company's accounting policy, retained earnings (loss) from previous years (including amounts transferred to statutory reserve funds) are presented under retained earnings).
In the current year, the Company did not declare or pay any dividend.

(all amounts in PLN million unless stated otherwise)

12.2. DEBT UNDER BORROWINGS AND NOTES

LIABILITIES UNDER BORROWINGS AND BONDS

The following note presents data on the Company's borrowings and bonds in issue.

	LIABILITIES UNDER BORROWINGS AND BONDS			
unaudited, reviewed	**CREDIT FACILITIES**	**OTHER BORROWINGS**	**BONDS**	**TOTAL**
As at February 1st 2022	**251.0**	**383.8**	**211.4**	**846.2**
short-term	251.0	19.1	1.4	271.5
long-term	–	364.7	210.0	574.7
As at February 1st 2022	**251.0**	**383.8**	**211.4**	**846.2**
Proceeds from debt contracted				
- financing received	–	11.6	–	11.6
Interest accrued	6.6	0.4	29.8	36.8
Debt-related payments				
- interest paid	-8.1	-0.5	-18.4	-27.0
Accession as joint and several debtor to CCC Shoes Bags & Sp. z o.o.'s liability under bonds and simultaneous expiry of liability towards CCC Shoes Bags & Sp. z o.o. under loan agreement	–	-366.5	366.5	–
Other non-cash changes	-	0.3	-19.2	-18.9
As at July 31st 2022	**249.5**	**29.1**	**570.1**	**848.7**
short-term	**249.5**	**29.1**	**4.1**	**282.7**
Credit facility with surety from BGK	249.5	–	–	249.5
Bond issued to PFR	–	–	1.8	1.8
CCC0626 bond	–	–	2.3	2.3
Borrowings from subsidiaries	–	29.1	–	29.1
long-term	**–**	**–**	**566.0**	**566.0**
Bond issued to PFR	–	–	356.0	356.0
CCC0626 bond	–	–	210.0	210.0

In the previous year, in accordance with the uniform terms and conditions of Series A bonds of September 20th 2021, CCC Shoes & Bags Sp. z o.o. (a subsidiary of CCC S.A.) issued three hundred and sixty bonds with a nominal value of PLN 1.0m per bond, for a total issue price of PLN 360.0m. The bonds were subscribed for by PFR Inwestycje Fundusz Inwestycyjny Zamknięty ("PFR").

The bond redemption date is seven years from the issue date (September 22nd 2028). Interest on the bonds comprises semi-annual interest and deferred interest. The semi-annual interest is calculated for periods ending June 30th and December 31st of each year. As at the bonds issue date, the base rate of the semi-annual interest was 4.5% per annum. From January 1st 2022, the rate will be increased on the terms and conditions set out in the relevant agreement. The increased rate of the semi-annual interest will cease to apply from the first full interest period following the first date of listing of Modivo S.A. shares on the regulated market. Deferred interest is calculated semi-annually and payable on the date on which a bond is redeemed, with the proviso that the issuer has a prepayment option. The deferred interest rate is WIBOR plus a margin.

An embedded derivative instrument containing a potential obligation under an equity kicker was identified in the bond instrument, which is initially measured at fair value and separated (bifurcated) from the host contract, and then subsequently measured at fair value through profit or loss on the basis of gains/losses as at each subsequent reporting date – for more information concerning this financial instrument, see note 14.1 to these financial statements.

(all amounts in PLN million unless stated otherwise)

CCC S.A. issued a surety for the liabilities of CCC Shoes & Bags Sp. z o.o. under the bonds and the Issue Agreement. At the same time, CCC Shoes & Bags Sp. z o.o. entered into a PLN 360m loan agreement with CCC S.A. and transferred to CCC S.A., in the performance of the agreement, all proceeds from the bond issue (the terms of the loan agreement were the same as the terms of the bonds).

In the reporting year, CCC S.A. agreed to accede as joint and several debtor to the subsidiary's debt under the bonds on the terms and conditions set out in the Terms and Conditions of the Bonds (the "Bonds issued to PFR") and agreed to request the holder of the bonds to release CCC Shoes & Bags Sp. z o.o. from the debt and to pay all liabilities under the bonds and the Issue Agreement when due. Upon execution of the agreement on CCC S.A.'s accession to the debt, CCC S.A.'s obligations towards CCC Shoes & Bags Sp. z o.o. under the loan agreement expired.

In the Company's opinion, the above change is not significant (the terms of the loan agreement and the bonds are substantially the same).

	LIABILITIES UNDER BORROWINGS AND BONDS			
audited	**CREDIT FACILITIES**	**OTHER BORROWINGS**	**BONDS**	**TOTAL**
As at February 1st 2021	**247.2**	**–**	**210.3**	**457.5**
short-term	0.1	–	210.3	210.4
long-term	247.1	–	–	247.1
As at February 1st 2021	**247.2**	**–**	**210.3**	**457.5**
Proceeds from debt contracted				
- financing received	–	424.2	–	424.2
Interest accrued	7.5	11.4	7.7	26.6
Debt-related payments				–
- principal payments	–	-47.2	–	-47.2
- interest paid	-6.6	-4.6	-6.6	-17.8
Other non-cash changes	2.9	–	–	2.9
As at January 31st 2022	**251.0**	**383.8**	**211.4**	**846.2**
short-term	**251.0**	**19.1**	**1.4**	**271.5**
Credit facility with surety from BGK	*251.0*	–	–	*251.0*
CCC0626 bond	–	–	*1.4*	*1.4*
Borrowings from subsidiaries	–	*19.1*	–	*19.1*
long-term	**–**	**364.7**	**210.0**	**574.7**
CCC0626 bond	–	–	*210.0*	*210.0*
Borrowings from subsidiaries	–	*364.7*	–	*364.7*

(all amounts in PLN million unless stated otherwise)

12.3. OTHER NON-CURRENT FINANCIAL LIABILITIES

	July 31st 2022	January 31st 2022
	unaudited, reviewed	audited
Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	8.8	–
Total other non-current financial liabilities	**8.8**	**–**

unaudited, reviewed	**Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker**
As at February 1st 2022	**–**
Initial measurement	19.3
Measurement at fair value	-10.5
As at July 31st 2022	**8.8**

The Company measures at fair value the derivative instrument containing a potential obligation under an Equity Kicker related to the issue of bonds subscribed for by PFR Inwestycje Fundusz Inwestycyjny Zamknięty, as described in Note 14.1.

The Equity Kicker is an obligation of the issuer to pay a premium to PFR based on an algorithm agreed between PFR and the CCC Group. The derivative instrument based on the valuation of Modivo shares was therefore separated (bifurcated) and measured at fair value amounting to PLN 8.8m as at the reporting date. The change in measurement in the reporting period was PLN 10.5m and was recognised under finance income.

The value of the Equity Kicker depends on the investor's average annual return on the bonds. As long as the investor's average annual return is lower than 13% (Equity Kicker threshold), the Equity Kicker will amount to 30% of the gain on the disposal of up to 720,000 shares. If the average annual return exceeds the amount determined based on the Equity Kicker threshold, the amount of the Equity Kicker going beyond that amount will be reduced to 10% of the gain on the disposal of shares calculated and payable only in respect of the excess amount.

The valuation of that instrument was prepared by independent experts. The valuation was carried out using a binomial tree model, based on the following key assumptions:

- Number of shares covered by the Equity Kicker option – 0.72m
- Initial valuation date – bond issue date – September 22nd 2021
- Expiry date of the Equity Kicker option – September 22nd 2028
- Risk-free rate – 5.65%
- Expected share price volatility – 43.5%
- Maximum duration of the option – 6.5 years
- Base rate (3M WIBOR) for the first interest period – 0.24%, for the second interest period – 2.5%, for the third interest period – 7.03%
- Early payment of deferred interest – none

The fair value measurement of Equity Kicker is classified in Level 3 of the fair value hierarchy.

(all amounts in PLN million unless stated otherwise)

12.4. CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES

The table below presents undiscounted payments under the existing financing liabilities (including future interest, not accrued as at the reporting date) and the contractual maturities of the instruments used by the Company.

As at July 31st 2022	CONTRACTUAL MATURITIES FROM THE END OF THE REPORTING PERIOD					TOTAL UNDISCOUNTED	CARRYING AMOUNT
	UP TO 3 MONTHS	3–12 MONTHS	1–3 YEARS	3–5 YEARS	OVER 5 YEARS		
unaudited, reviewed							
Bank borrowings	5.2	250.0	–	–	–	255.2	249.5
Other borrowings	0.8	11.7	17.0	–	–	29.5	29.1
Bonds	29.6	61.5	164.3	346.9	417.2	1,019.5	570.1
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	–	–	–	–	8.8	8.8	8.8
Trade and other payables	303.9	14.6	–	–	–	318.5	318.5
Credit sureties provided	1,203.7	–	–	–	–	1,203.7	1,203.7
Returns liabilities	11.3	–	–	–	–	11.3	11.3
Lease liabilities	147.7	121.3	270.3	135.1	69.6	744.0	731.5
Total financial liabilities	**1,702.2**	**459.1**	**451.6**	**482.0**	**495.6**	**3,590.5**	**3,122.5**

As at January 31st 2022	CONTRACTUAL MATURITIES FROM THE END OF THE REPORTING PERIOD					TOTAL UNDISCOUNTED	CARRYING AMOUNT
	UP TO 3 MONTHS	3–12 MONTHS	1–3 YEARS	3–5 YEARS	OVER 5 YEARS		
audited							
Bank borrowings	0.1	258.9	–	–	–	259.0	251.0
Other borrowings	2.1	40.5	65.3	43.6	498.8	650.3	383.8
Bonds	–	14.9	44.8	217.4	–	277.1	211.4
Trade and other payables	204.2	136.2	–	–	–	340.4	340.4
Credit sureties provided	1,207.9	–	–	–	–	1,207.9	1,207.9
Returns liabilities	6.4	–	–	–	–	6.4	6.4
Lease liabilities	60.4	144.2	336.8	174.5	69.7	785.6	756.8
Total financial liabilities	**1,481.1**	**594.7**	**446.9**	**435.5**	**568.5**	**3,526.7**	**3,157.7**

The value of credit sureties provided corresponds to credit risk exposure under financial guarantees provided to the subsidiaries. The Company recognised a provision for credit risk related to sureties provided, as discussed in detail in Note 3.1.

(all amounts in PLN million unless stated otherwise)

12.5. ADDITIONAL INFORMATION ON SELECTED ITEMS OF THE STATEMENT OF CASH FLOWS

unaudited, reviewed	Trade receivables, other receivables	Trade and other payables and other liabilities
As at February 1st 2022	318.1	464.7
As at July 31st 2022	392.0	458.0
Change in statement of financial position	**-73.9**	**-6.7**
Difference due to:		
Changes due to sureties provided/received	-6.1	18.1
Changes in investment liabilities/receivables	1.3	-2.8
Changes in late payment interest payable/receivable	21.8	–
Change in allowance for expected credit losses	-7.6	–
Other	0.2	-5.6
Change recognised in statement of cash flows	**-64.3**	**3.0**

unaudited, reviewed	Trade receivables, other receivables	Trade and other payables and other liabilities
As at February 1st 2021	247.2	119.1
As at July 31st 2021	84.5	418.4
Change in statement of financial position	**162.7**	**299.3**
Difference due to:		
Changes in sureties provided/received	15.1	-5.8
Changes in investment liabilities/receivables	4.6	-18.9
Other	-0.3	1.4
Change recognised in statement of cash flows	**182.1**	**276.0**

	February 1st–July 31st 2022	February 1st–July 31st 2021
	unaudited, reviewed	unaudited, reviewed
Other adjustments to profit before tax:		
Change in provisions	0.4	–
Change in provisions for credit sureties and guarantees	36.1	-47.0
Change in loss allowances	51.4	-50.0
Sureties	-12.0	-9.3
Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	-10.5	–
Impairment loss on shares in CCC Austria Ges.m.b.H	–	74.2
Exchange differences on measurement of lease liabilities	2.4	1.4
Loan interest accrued	-16.0	-12.0
Late payment interest accrued	-21.8	–
Other	-1.2	-10.9
Total	**28.8**	**-53.6**

(all amounts in PLN million unless stated otherwise)

13. NOTES TO THE INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

13.1. PROPERTY, PLANT AND EQUIPMENT

unaudited, reviewed	LEASEHOLD IMPROVEMENTS	DISTRIBUTION				OTHER PROPERTY, PLANT AND EQUIPMENT				TOTAL
		LAND, BUILDINGS AND STRUCTURES	MACHINERY AND EQUIPMENT	PROPERTY, PLANT AND EQUIPMENT UNDER CONSTRUCTION	TOTAL	LAND AND BUILDINGS	MACHINERY AND EQUIPMENT	OTHER	TOTAL	
Gross carrying amount as at February 1st 2022	**530.4**	**232.1**	**121.3**	**2.7**	**356.1**	**77.6**	**4.9**	**4.1**	**86.6**	**973.1**
Accumulated depreciation as at February 1st 2022	**-272.1**	**-39.1**	**-103.8**	**–**	**-142.9**	**-11.5**	**-1.3**	**-3.4**	**-16.2**	**-431.2**
Net carrying amount as at February 1st 2022	**258.3**	**193.0**	**17.5**	**2.7**	**213.2**	**66.1**	**3.6**	**0.7**	**70.4**	**541.9**
Gross carrying amount as at February 1st 2022	530.4	232.1	121.3	2.7	356.1	77.6	4.9	4.1	86.6	973.1
Acquisition	45.4	–	0.2	1.1	1.3	0.1	4.6	0.2	4.9	51.6
Retirement and disposal	-16.1	–	–	-0.6	-0.6	-1.8	–	-0.5	-2.3	-19.0
Transfer between groups (gross carrying amount)	–	0.9	1.4	-2.2	0.1	1.7	-3.2	1.4	-0.1	-
Gross carrying amount as at July 31st 2022	**559.7**	**233.0**	**122.9**	**1.0**	**356.9**	**77.6**	**6.3**	**5.2**	**89.1**	**1,005.7**
Accumulated depreciation as at February 1st 2022	-272.1	-39.1	-103.8	–	-142.9	-11.5	-1.3	-3.4	-16.2	-431.2
Depreciation	-27.8	-3.0	-2.8	–	-5.8	-1.4	–	-0.2	-1.6	-35.2
Retirement and disposal (accumulated depreciation)	10.6	–	–	–	–	–	–	0.2	0.2	10.8
Transfer between groups (accumulated depreciation)	–	–	–	–	–	–	–	–	–	–
Accumulated depreciation as at July 31st 2022	**-289.3**	**-42.1**	**-106.6**	**–**	**-148.7**	**-12.9**	**-1.3**	**-3.4**	**-17.6**	**-455.6**
Net carrying amount as at July 31st 2022	**270.4**	**190.9**	**16.3**	**1.0**	**208.2**	**64.7**	**5.0**	**1.8**	**71.5**	**550.1**

INTERIM CONDENSED CONSOLIDATED REPORT OF THE CCC GROUP
for the six months from February 1st 2022 and to July 31st 2022
(all amounts in PLN million unless stated otherwise)

audited	LEASEHOLD IMPROVEMENTS	DISTRIBUTION				OTHER PROPERTY, PLANT AND EQUIPMENT				TOTAL
		LAND, BUILDINGS AND STRUCTURES	MACHINERY AND EQUIPMENT	PROPERTY, PLANT AND EQUIPMENT UNDER CONSTRUCTION	TOTAL	LAND AND BUILDINGS	MACHINERY AND EQUIPMENT	OTHER	TOTAL	
Gross carrying amount as at February 1st 2021	**535.1**	**230.2**	**120.9**	**1.5**	**352.6**	**56.3**	**1.9**	**5.0**	**63.2**	**950.9**
Accumulated depreciation as at February 1st 2021	**-245.3**	**-33.3**	**-96.1**	**–**	**-129.4**	**-9.1**	**-1.6**	**-4.5**	**-15.2**	**-389.9**
Net carrying amount as at February 1st 2021	**289.8**	**196.9**	**24.8**	**1.5**	**223.2**	**47.2**	**0.3**	**0.5**	**48.0**	**561.0**
Gross carrying amount as at February 1st 2021	535.1	230.2	120.9	1.5	352.6	56.3	1.9	5.0	63.2	950.9
Acquisition	81.0	0.7	0.1	2.7	3.5	22.6	3.4	0.5	26.5	111.0
Retirement and disposal	-34.2	–	-0.3	–	-0.3	-1.3	-0.5	-1.4	-3.2	-37.7
Transfer between groups (gross carrying amount)	-0.5	1.2	0.6	-1.5	0.3	–	0.1	–	0.1	-0.1
Gross carrying amount of property, plant and equipment transferred as part of OPE	-51.0	–	–	–	–	–	–	–	–	-51.0
Gross carrying amount as at January 31st 2022	**530.4**	**232.1**	**121.3**	**2.7**	**356.1**	**77.6**	**4.9**	**4.1**	**86.6**	**973.1**
Accumulated depreciation as at February 1st 2021	-245.3	-33.3	-96.1	–	-129.4	-9.1	-1.6	-4.5	-15.2	-389.9
Depreciation	-55.2	-5.8	-8.1	–	-13.9	-2.8	-0.1	-0.3	-3.2	-72.3
Retirement and disposal (accumulated depreciation)	19.3	–	0.4	–	0.4	0.4	0.4	1.4	2.2	21.9
Transfers between groups (accumulated depreciation)	0.1	–	–	–	–	–	–	–	–	0.1
Accumulated depreciation of property, plant and equipment transferred as part of OPE	9.0	–	–	–	–	–	–	–	–	9.0
Accumulated depreciation as at January 31st 2022	**-272.1**	**-39.1**	**-103.8**	**–**	**-142.9**	**-11.5**	**-1.3**	**-3.4**	**-16.2**	**-431.2**
Net carrying amount as at January 31st 2022	**258.3**	**193.0**	**17.5**	**2.7**	**213.2**	**66.1**	**3.6**	**0.7**	**70.4**	**541.9**

(all amounts in PLN million unless stated otherwise)

13.2. RIGHT OF USE AND LEASE LIABILITIES

unaudited, reviewed	RIGHT OF USE				
	Stores	Warehouse	Vehicles	Offices	Total
Gross carrying amount as at February 1st 2022	**1,042.1**	**2.9**	**8.5**	**26.2**	**1,079.7**
Accumulated depreciation as at February 1st 2022	**-571.9**	**-1.6**	**-5.6**	**-6.1**	**-585.2**
Net carrying amount as at February 1st 2022	**470.2**	**1.3**	**2.9**	**20.1**	**494.5**
Gross carrying amount as at February 1st 2022	1,042.1	2.9	8.5	26.2	1,079.7
New lease contracts	33.0	0.1	–	20.5	53.6
Changes resulting from contract modifications	-7.8	0.2	0.1	-1.6	-9.1
Changes resulting from contract modification – shortening of contract term – gross carrying amount	-74.3	-0.3	-0.3	–	-74.9
Gross carrying amount as at July 31st 2022	**993.0**	**2.9**	**8.3**	**45.1**	**1,049.3**
Accumulated depreciation as at February 1st 2022	-571.9	-1.6	-5.6	-6.1	-585.2
Changes resulting from contract modification – shortening of contract term – accumulated depreciation	41.2	–	0.3	-	41.5
Depreciation in period	-59.6	-0.2	-0.9	-1.0	-61.7
Accumulated depreciation as at July 31st 2022	**-590.3**	**-1.8**	**-6.2**	**-7.1**	**-605.4**
Net carrying amount as at July 31st 2022	**402.7**	**1.1**	**2.1**	**38.0**	**443.9**

audited	RIGHT OF USE				
	Stores	Warehouse	Vehicles	Offices	Total
Gross carrying amount as at February 1st 2021	**1,089.0**	**4.9**	**7.9**	**15.5**	**1,117.3**
Accumulated depreciation as at February 1st 2021	**-511.8**	**-2.2**	**-4.3**	**-3.8**	**-522.1**
Net carrying amount as at February 1st 2021	**577.2**	**2.7**	**3.5**	**11.6**	**595.0**
Gross carrying amount as at February 1st 2021	1,089.0	4.9	7.9	15.5	1,117.3
New lease contracts	90.4	0.3	1.3	9.7	101.7
Changes resulting from contract modifications	21.4	-0.5	0.2	1.0	22.1
Changes resulting from contract modification – shortening of contract term – gross carrying amount	-52.5	-1.0	-0.9	–	-54.4
Transferred as part of OPE	-106.2	-0.8	–	–	-107.0
Gross carrying amount as at January 31st 2022	**1,042.1**	**2.9**	**8.5**	**26.2**	**1,079.7**
Accumulated depreciation as at February 1st 2021	-511.8	-2.2	-4.3	-3.8	-522.1
Changes resulting from contract modification – shortening of contract term – accumulated depreciation	30.9	0.7	0.8	–	32.4
Depreciation in period	-129.4	-0.4	-2.1	-2.3	-134.2
Transferred as part of OPE	38.4	0.3	–	–	38.7
Accumulated depreciation as at January 31st 2022	**-571.9**	**-1.6**	**-5.6**	**-6.1**	**-585.2**
Net carrying amount as at January 31st 2022	**470.2**	**1.3**	**2.9**	**20.1**	**494.5**

(all amounts in PLN million unless stated otherwise)

Lease liabilities	February 1st–July 31st 2022	February 1st 2021–January 31st 2022
	unaudited, reviewed	audited
At beginning of period	**756.8**	**872.3**
Accrued interest	6.5	20.4
Lease payments	-88.7	-155.9
Exchange differences	19.4	8.6
New lease contracts	90.4	114.0
Modification of contract terms	-44.7	1.0
Change of scope	-8.2	-20.5
Transferred as part of OPE	–	-83.1
At end of period	**731.5**	**756.8**

13.3. INVENTORY

Inventories and inventory write-downs as at the reporting date are presented below.

	July 31st 2022	January 31st 2022
	unaudited, reviewed	audited
Merchandise	371.3	406.1
Returns assets	6.4	2.2
Total (gross)	**377.7**	**408.3**
Impairment losses	-6.4	-3.4
Total (net)	**371.3**	**404.9**

Changes in inventory write-downs during the period are presented below.

Inventory write-downs	February 1st–July 31st 2022	February 1st 2021–January 31st 2022
	unaudited, reviewed	audited
At beginning of period	**-3.4**	**-3.2**
Expensed to cost of sales	-6.4	-3.4
Used	3.4	3.2
At end of period	**-6.4**	**-3.4**

The Company's objective is to minimise inventories, while maintaining an adequate volume of merchandise to maximise sales.
In connection with the customer's right to return unused goods, the Company recognises returns liabilities and returns assets. Deliveries made after the reporting date are allocated to revenue of the next period, while returns reduce revenue in the current period. The amount of the asset is disclosed in inventories, while the liability is presented in other liabilities. As at the reporting date, the amount of the asset was PLN 6.4m, and the amount of the liability was PLN 11.3m.

(all amounts in PLN million unless stated otherwise)

14. OTHER NOTES

14.1. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

	July 31st 2022		January 31st 2022	
	unaudited, reviewed		audited	
	FINANCIAL ASSETS	FINANCIAL LIABILITIES	FINANCIAL ASSETS	FINANCIAL LIABILITIES
Financial assets at amortised cost	**1,384.2**	**–**	**1,388.7**	**–**
Loans	879.3	–	875.2	–
Trade receivables	119.2	–	75.6	–
Receivables under assignment of receivables	215.1	–	200.0	–
Other financial receivables	4.6	–	10.7	–
Receivables from sale of property, plant and equipment	10.0	–	8.4	–
Lease receivables	105.6	–	92.7	–
Cash and cash equivalents	50.4	–	126.1	–
Financial liabilities at amortised cost	**–**	**1,910.0**	**–**	**1,949.8**
Liabilities under borrowings and bonds	–	848.7	–	846.2
Trade and other payables	–	318.5	–	340.4
Returns liabilities	–	11.3	–	6.4
Lease liabilities	–	731.5	–	756.8
Financial liabilities measured at fair value through profit or loss	**–**	**8.8**	**–**	**–**
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	–	8.8	–	–

In the case of financial instruments, their fair values do not differ materially from the carrying amounts, except for loans, whose fair value as at July 31st 2022 was PLN 741.5m, while the carrying amount was PLN 879.3m. The fair values were calculated based on cash flows discounted at the current market interest rate applicable to the loans. They are classified at Level 2 of the fair value hierarchy.

FINANCIAL RISK MANAGEMENT

The business of CCC S.A. involves a number of different financial risks. The main risks identified by the Management Board are: currency risk, interest rate risk, credit risk and liquidity risk.
The policy for managing these risks and further information on the risks (including credit quality assessment, maximum credit risk exposures, exchange rate sensitivity analysis) are presented below.

CURRENCY RISK

CCC S.A. operates internationally and, therefore, is exposed to the risk of movements in foreign exchange rates, in particular the euro exchange rates as the Company's retail space lease contracts and loans are denominated in the currency.
The main items of the statement of financial position exposed to the currency risk are lease liabilities, lease receivables (under sublease of stores), loans and cash.
The Company monitors exchange rate fluctuations and takes actions on a regular basis in order to minimize their adverse impact, e.g. by having the currency movements reflected in prices of offered goods. The Company does not use hedging instruments.
Where required, amounts were translated into the functional currency using the exchange rate prevailing at the last day of the reporting period:
• the exchange rate as at July 31st 2022 was EUR 1 = PLN 4.7399

• the exchange rate as at January 31st 2022 was EUR 1 = PLN 4.5982
• the exchange rate as at July 31st 2022 was USD 1 = PLN 4.6365
• the exchange rate as at January 31st 2022 was USD 1 = PLN 4.1147

The amounts were translated at the exchange rates specified above by dividing amounts expressed in millions of the złoty by the exchange rate.
The table below presents the Company's exposure to the currency risk:

July 31st 2022	TOTAL CARRYING AMOUNT	IN FOREIGN CURRENCY AFTER TRANSLATION INTO PLN			IN FUNCTIONAL CURRENCY
unaudited, reviewed		USD	EUR	OTHER	
Financial assets at amortised cost	**1,384.2**	**38.6**	**117.0**	**10.2**	**1,218.4**
Loans	879.3	38.6	7.9	10.0	822.8
Trade receivables	119.2	–	–	0.2	119.0
Receivables under assignment of receivables	215.1	–	–	–	215.1
Other financial receivables	4.6	–	–	–	4.6
Receivables from sale of property, plant and equipment	10.0	–	–	–	10.0
Lease receivables	105.6	–	105.6	–	–
Cash and cash equivalents	50.4	–	3.5	–	46.9
Financial liabilities at amortised cost	**1,910.0**	**0.1**	**661.9**	**0.9**	**1,247.1**
Liabilities under borrowings and bonds	848.7	–	11.7	–	837.0
Trade and other payables	318.5	0.1	3.3	0.9	314.2
Returns liabilities	11.3	–	–	–	11.3
Lease liabilities	731.5	–	646.9	–	84.6
Financial liabilities measured at fair value through profit or loss	**8.8**	**–**	**–**	**–**	**8.8**
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	8.8	–	–	–	8.8

(all amounts in PLN million unless stated otherwise)

January 31st 2022	TOTAL CARRYING AMOUNT	IN FOREIGN CURRENCY AFTER TRANSLATION INTO PLN			IN FUNCTIONAL CURRENCY
audited		USD	EUR	OTHER	
Financial assets at amortised cost	**1,388.7**	**37.2**	**97.7**	**9.3**	**1,244.5**
Loans	875.2	37.2	3.4	9.1	825.5
Trade receivables	75.6	–	0.2	0.1	75.3
Receivables under assignment of receivables	200.0	–	–	–	200.0
Other financial receivables	10.7	–	–	–	10.7
Receivables from sale of property, plant and equipment	8.4	–	–	–	8.4
Lease receivables	92.7	–	92.7	–	–
Cash and cash equivalents	126.1	–	1.4	0.1	124.6
Financial liabilities at amortised cost	**1,949.8**	**–**	**648.6**	**0.8**	**1,300.4**
Liabilities under borrowings and bonds	846.2	–	–	–	846.2
Trade and other payables	340.4	–	1.9	0.8	337.7
Returns liabilities	6.4	–	–	–	6.4
Lease liabilities	756.8	–	646.7	–	110.1

The analysis of sensitivity to foreign exchange risk of exposures as at the reporting date is presented in the table below. If as at July 31st 2022 the exchange rates of financial assets/liabilities denominated in foreign currencies, in particular USD and EUR, were PLN 0.05 higher/lower, the effect of such currency movements on profit before tax would be as follows:

July 31st 2022	Increase/decrease in USD / EUR exchange rate					
unaudited, reviewed	Value in PLN corresponding to exposure in USD	0.05	-0.05	Value in PLN corresponding to exposure in EUR	0.05	-0.05
Financial assets at amortised cost	**38.6**	**0.4**	**-0.4**	**117.0**	**1.4**	**-1.2**
Loans	38.6	0.4	-0.4	7.9	0.1	-0.1
Lease receivables	–	–	–	105.6	1.3	-1.1
Cash and cash equivalents	–	–	–	3.5	-	-
Financial liabilities at amortised cost	**-0.1**	**-**	**-**	**661.9**	**-6.9**	**-6.9**
Liabilities under borrowings and bonds	–	–	–	11.7	-0.1	-0.1
Trade and other payables	-0.1	-	-	3.3	–	–
Lease liabilities	–	–	–	646.9	-6.8	-6.8
Effect on net profit (loss)		**0.4**	**-0.4**		**-5.5**	**-8.1**

(all amounts in PLN million unless stated otherwise)

January 31st 2022	Increase/decrease in USD / EUR exchange rate					
AUDITED	Value in PLN corresponding to exposure in USD	0.05	-0.05	Value in PLN corresponding to exposure in EUR	0.05	-0.05
Financial assets at amortised cost	**37.2**	**0.5**	**-0.5**	**97.7**	**1.1**	**-1.1**
Loans	37.2	0.5	-0.5	3.4	–	–
Trade receivables	–	–	–	0.2	–	–
Lease receivables	–	–	–	92.7	1.1	-1.1
Cash and cash equivalents	–	–	–	1.4	–	–
Financial liabilities at amortised cost	**–**	**–**	**–**	**648.6**	**-7.0**	**7.0**
Trade and other payables	–	–	–	1.9	–	–
Lease liabilities	–	–	–	646.7	-7.0	7.0
Effect on net profit (loss)		**0.5**	**-0.5**		**-5.9**	**5.9**

INTEREST RATE RISK

The Company is exposed to the interest rate risk mainly due to debt under credit facility agreements and notes in issue, and cash in bank accounts.
The entire debt bears interest at floating interest rates based on WIBOR. An increase in interest rates leads to higher debt service costs, which is partially offset by cash deposits. Loans advanced in the Polish złoty bear interest at a fixed rate, and therefore involve no exposure to the interest rate risk.
Items bearing interest at variable rates expose the Company to the risk of changes in cash flows due to interest rate movements. The Company does not apply hedging instruments that would limit the impact of cash flow changes resulting from interest rate movements on its profit or loss.
The table below presents an analysis of sensitivity to the interest rate risk, which in the Company's opinion would be reasonably possible in the indicated periods.

	AMOUNT EXPOSED TO INTEREST RATE RISK %		Effect February 1st 2022–July 31st 2022		Effect February 1st 2021–January 31st 2022	
	July 31st 2022	January 31st 2022	+1pp	-1pp	+1pp	-1pp
	unaudited, reviewed	audited	unaudited, reviewed		audited	
Cash at banks	50.4	126.1	0.5	-0.5	1.3	-1.3
Liabilities under borrowings and bonds	-848.7	-846.2	-8.5	8.5	-8.5	8.5
Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	-8.8	–	-0.1	0.1	–	–
Effect on net profit (loss)			**-8.1**	**8.1**	**-7.2**	**7.2**

If the interest rates on debt were 1 pp higher/lower in the reporting period, the profit for the period would be PLN 8.1m lower/higher (in the comparative periods: February 1st 2021–January 31st 2022: PLN 7.2m lower/higher).

(all amounts in PLN million unless stated otherwise)

CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk mainly through its trade receivables, loans, and cash and cash equivalents in bank accounts.
The maximum exposures to credit risk as at the reporting dates (July 31st 2022, January 31st 2022) are presented in the table below.

	July 31st 2022	January 31st 2022
	unaudited, reviewed	**audited**
Loans	879.3	875.2
Trade receivables	121.0	76.7
Receivables from sale of property, plant and equipment	10.0	8.4
Cash and cash equivalents	50.4	126.1
Lease receivables	105.6	92.7
Total	**1,166.3**	**1,179.1**

For information on allowances for expected credit losses recognised in the reporting period, see Note 9.3 ‘Other income and expenses, finance income and costs’.

14.2. SHARE-BASED PAYMENTS

Incentive scheme for the CCC Management Board implemented in 2021–2024

As described in the separate financial statements for the financial year ended January 31st 2022, Management Board members are awarded variable remuneration components, including a long-term bonus linked to CCC S.A. value growth, understood as appreciation of its share price, which is awarded to each member of the Management Board for two periods: one already ended and the second running from August 1st 2021 to July 31st 2024.
The long-term bonus for period two was valued by an external expert using the Black-Scholes model. The number of rights to benefit from share appreciation (number of options) used in the valuation was 600,000, with the vesting period for 400,000 rights (options) being June 22nd 2021–July 31st 2024, for 100,000 rights (options) being July 1st 2021–July 31st 2024, and for the remaining 100,000 rights (options) being September 16th 2021–July 31st 2024. The value of a single right to benefit from share appreciation (value of a single option) used in the valuation was PLN 1.71. The assumed risk-free rate was 6.59% and the expected volatility of the share price was 45.7%. The duration of the options is two years.
In the statement of financial position, a provision of PLN 0.4m related to the valuation of the incentive scheme was recognised under other non-current liabilities (January 31st 2022: PLN 1.4m).

INTERIM CONDENSED CONSOLIDATED DIRECTORS' REPORT ON THE OPERATIONS OF THE CCC GROUP

FOR THE SIX MONTHS

from February 1st 2022
to July 31st 2022

(all amounts in PLN million unless stated otherwise)

ABOUT THIS REPORT

This interim condensed consolidated Directors' Report on the operations of the CCC Group in the six months ended July 31st 2022 contains financial and non-financial data, showing the results and position of the CCC Group on the Polish and European markets. The report is published in the PDF format, in Polish and English. The report contains logos and photographs of registered proprietary brands available in CCC, eobuwie and HalfPrice stores.
The report covers the period from February 1st to July 31st 2022 and contains comparative data for the period from February 1st to July 31st 2021 and as at January 31st 2022. To keep the information as current as possible, the report includes a summary of events after the reporting date up to the date of its issue.

CCC IN NUMBERS

The data relate to changes in the period February 1st–July 31st 2022 relative to the corresponding period of the previous year. Data calculated based on a table representing revenue from continuing operations by operating segments.

26% CHANGE IN THE GROUP'S REVENUE			
27%	INCREASE IN DIGITAL REVENUE	55%	SHARE OF DIGITAL REVENUE
12%	INCREASE IN REVENUE OF EOBUWIE (excluding Modivo)	82%	INCREASE IN REVENUE OF MODIVO (excluding eobuwie)
17%	REVENUE GROWTH CCC	7%	SHARE OF REVENUE HalfPrice
47%	SHARE OF REVENUE FROM FOREIGN MARKETS	28 MARKETS	(21 offline) (19 online)

15. BUSINESS OF THE CCC GROUP

The CCC Group (the "CCC Group", the "Group") is a leader of the retail and digital segments of the footwear market in Poland and Central Europe.

The Group's operations are currently organised into the following geographical segments:

- Poland
- Central and Eastern Europe
- Western Europe

The segmentation by sales channel is as follows:

- CCC
- eobuwie
- Modivo
- HalfPrice
- DeeZee
- Other activities

As at the reporting date, the CCC Group comprised a total of 960 offline chain stores located in modern shopping centres and malls, as well as a number of online sales platforms in Poland and 28 countries of Europe and the Middle East. CCC stores are renowned for their exciting, contemporary brands, many of which are achieving iconic status, including Lasocki, Gino Rossi, Jenny Fairy, Sprandi and DeeZee, as well as a wide range of licensed sports shoe and children's footwear brands. The CCC Group has a wide range of products, constantly expanded, picked and selected in response to the needs of consumer groups carefully targeted by particular brands. The CCC Group's portfolio is complemented by products offered by eobuwie, Modivo, and HalfPrice.

15.1. BUSINESS PROFILE

The CCC Group is the leader of the CEE footwear market, actively expanding its product portfolio to additionally include clothes and accessories.

The Group focuses on Customers by offering them high quality, fashionable products. According to its mission, the CCC Group's main objective is 'To unlock fashion for everybody, everywhere'.

The Group's business model is based on an omnichannel platform, composed of five complementary business lines: CCC, eobuwie, Modivo, HalfPrice, and DeeZee. The omnichannel model assumes interpenetration of online and offline sales channels and free migration of Customers between them. Expansion of the omnichannel platform is also supported by a number of facilities for customers, including express delivery, deferred payments, etc.

Sales at brick-and-mortar are mainly related to the CCC business line, which primarily offers well-known private labels (Lasocki, Jenny Fairy, Gino Rossi and others), as well as to the new off-price concept called HalfPrice. In the six months to July 31st 2022, the Group's revenue generated through the offline channel accounted for 43,3% of the total sales.

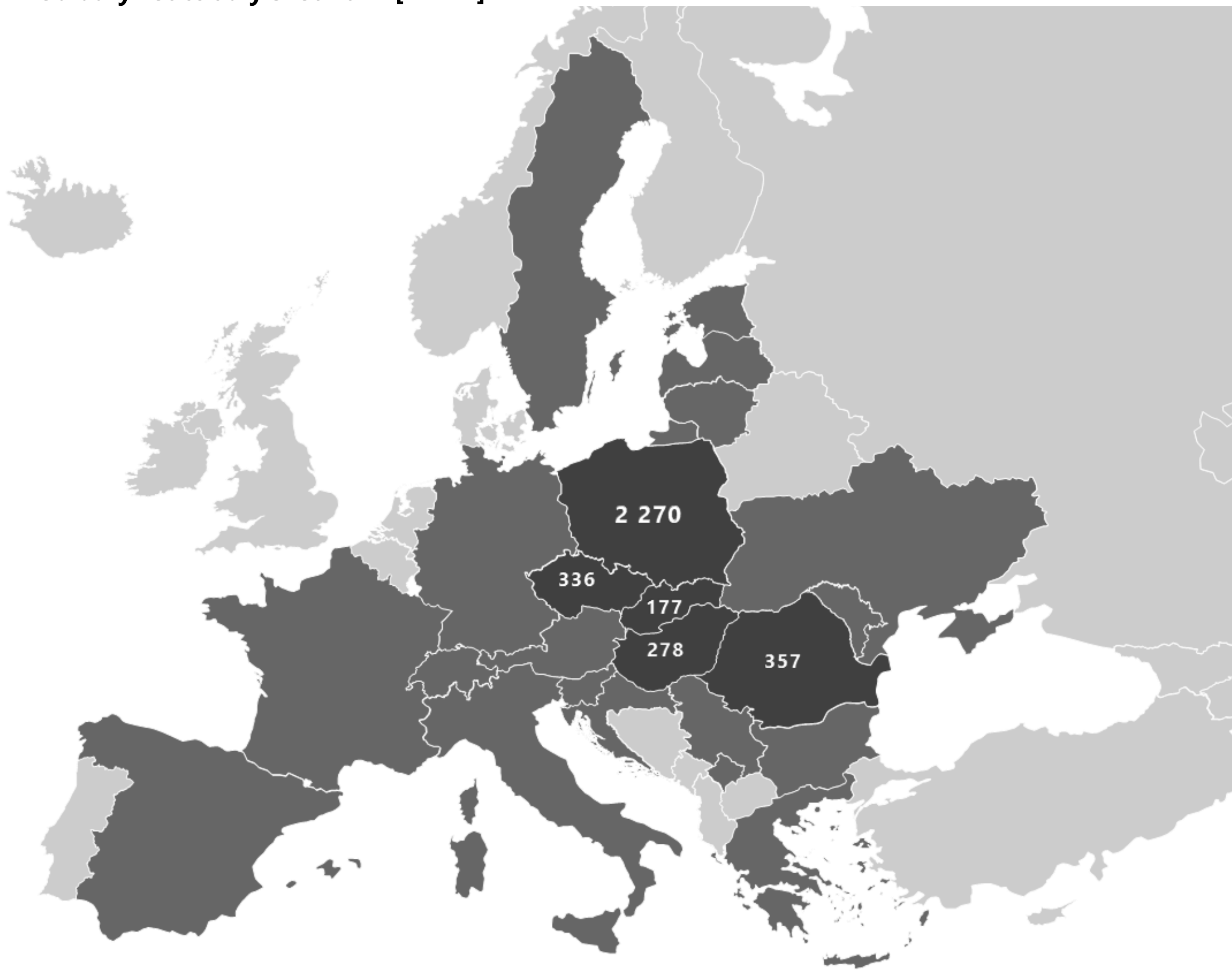
The Group is quickly expanding in the fast-growing e-commerce channel. The Group's revenue from this channel, accounting for 55,1% of the total sales, is generated through the CCC and HalfPrice online stores, as well as through the Group's pure online platforms, i.e. eobuwie and Modivo (offering mainly third-party brands) and DeeZee.

In November 2021, the Company announced a new business strategy called GO.25, under which the Group plans to triple its sales revenue (to approximately PLN 20bn) and deliver an EBITDA margin of 12% or more by 2025. This will be achieved by, among others, increasing the share of new product categories (other than footwear) in the offering to one third, increasing the share of online sales in total revenue to 60%, as well as increasing customer satisfaction measured by NPS (Net Promoter Score) by 10 points for each of the Group's five business lines.

The main catalyst of the Group's revenue growth in the coming years will be dynamic expansion of the off-price segment (250 HalfPrice stores in total by the end of 2025) and further scaling up of the Modivo Group's business (including the launch of marketplace and increasing foreign markets' contribution to revenue).

The Group intends to grow its business in a responsible and sustainable manner by engaging in projects that promote a low-carbon and circular economy, diversity and transparency.

Five countries in which the CCC Group earned the most revenue in February 1st to July 31st 2022 [PLNm]



15.2. KEY EVENTS FROM FEBRUARY 1ST TO JULY 31ST 2022

Q1

- eobuwie debuts in Latvia and Austria
- Marketplace service launched in Modivo
- International Business Unit (international development office) launched at Modivo S.A.
- CCC Group joins the UN Global Compact initiative

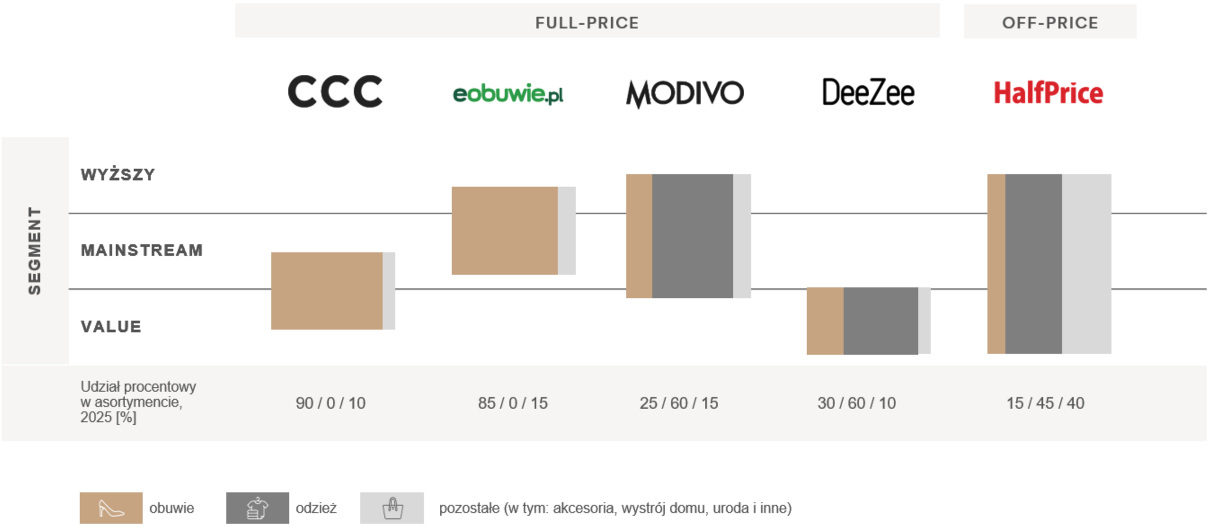
Q2

- CCC Group shuts down Russian operations
- Company CEO Damian Zapłata acquires shares in Modivo S.A.

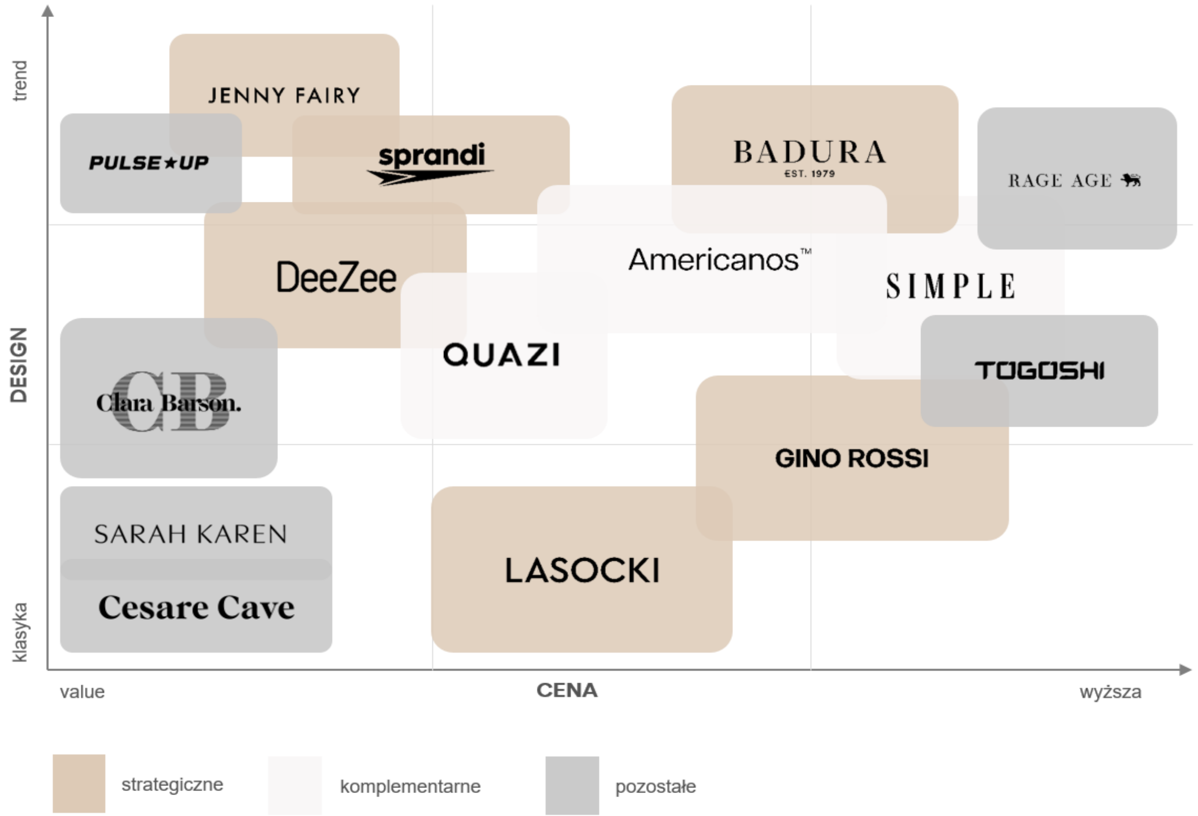
Find out more about developments important to the Group on the websites:
https://corporate.ccc.eu/news/aktualnosci,1
https://corporate.ccc.eu/raporty#pills-relacjeinwestorskie-raporty-zakladki-raporty-biezace-1-tab

16. CCC GROUP'S PORTFOLIO

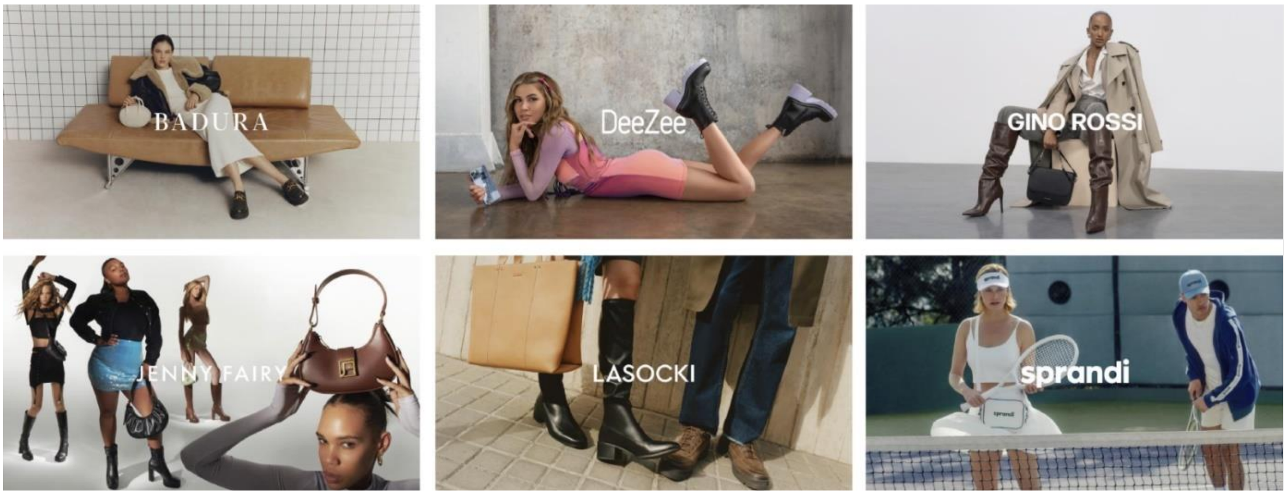
Our business lines address the needs of various customer segments



Our private label portfolio covers a wide range of customer needs



The CCC chain's product portfolio includes both popular private label brands and recognised third-party brand names. The CCC offering is comprised of several main blocks, reflecting the private labels or product segments. The portfolio has been designed so that its elements address demand from various groups of customers, depending on their fashion preferences, age, or disposable income. Thus, the CCC and ccc.eu stores offer footwear for children and youth, casual and formal footwear for men and women, sports footwear, sneakers as well as a broad range of accessories, including bags, purses, wallets, suitcases, sunglasses, and small apparel items. In addition, the online store sells sports brands clothing. The prices range from PLN 5.99 to PLN 899.99. In response to the rise in inflation seen in recent months and the resulting pressure on consumers, CCC's own label portfolio was expanded in the period under review to include three new economy brands: Sarah Karen, Cesare Cave and Pulse up. With these brands added to the range, customers will find fashionable leather and athletic footwear at more affordable prices in CCC stores.

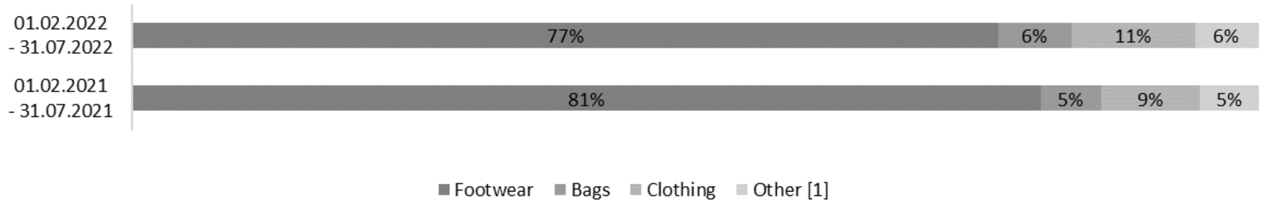


Furthermore, CCC offers other iconic sports brands, such as Adidas, Champion, Reebok, Puma, New Balance, Converse, Skechers and Vans, and includes children's footwear featuring some of the beloved Disney characters.

The CCC Group's portfolio is complemented by HalfPrice, a modern store concept in the off-price segment, offering a wide variety of popular brands at attractive prices. Products sold at HalfPrice brick-and-mortar outlets and the halfprice.eu online store are tailored to the needs of customers, who buy wisely, choosing quality and looking for branded products sold at reduced prices. Several times a week, new products are added to the existing range, allowing consumers to find real bargains. The product portfolio comprises clothing, footwear, accessories, cosmetics, toys, and homewares.

The CCC Group's range is also complemented by products offered by eobuwie and Modivo. Revenue generated by the two channels is mostly derived from sales of third-party brands, i.e., brands supplied by footwear and clothing manufacturers widely recognised by consumers. Modivo's portfolio also includes private label brands, their share in total sales constantly on the rise. Modivo's leading own labels are Togoshi, Americanos, Simple, Rage Age and Quazi.

SALES MIX



[1] "Other" includes various accessories, such as belts, wallets, in-soles, socks, shoe care products, and homewares.

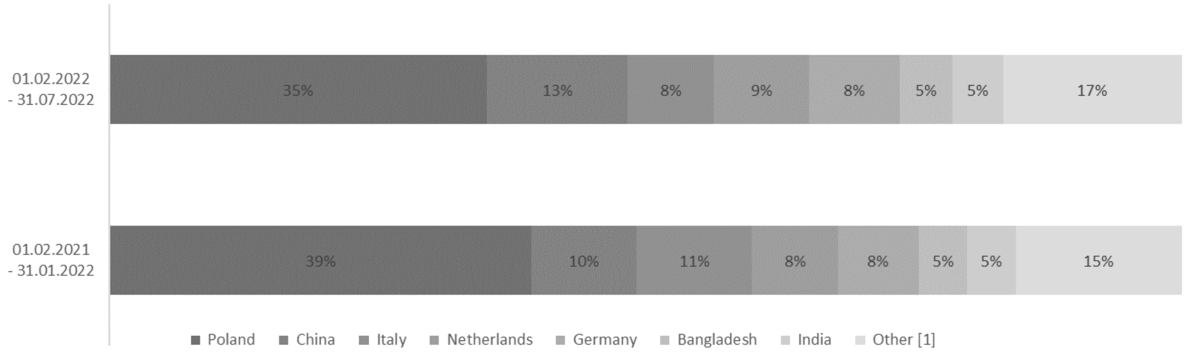
The CCC Group's sales mix changed during the six months to July 31st 2022 in line with the GO.25 strategy, primarily reflecting the growth of the digital and HalfPrice businesses. The contribution of the "Footwear" category to total sales fell 4pp year on year in favour of "Bags" (up 1pp), "Clothing" (up 2pp) and "Other" (up 1pp).

17. BUSINESS MODEL

17.1. SUPPLIERS

CCC.eu Sp. z o.o. is the supplier of goods for the CCC, HalfPrice and DeeZee chains. The company procures goods from domestic and foreign suppliers.

The Modivo Group purchases merchandise for the eobuwie and Modivo online platforms and offline stores of the same names through its parent Modivo S.A. In the six months to July 31st 2022, purchases made by Modivo accounted for over 50% of the CCC Group's total purchases of merchandise. A considerable part of Modivo's suppliers operate in Poland (in 2022, the share of Polish suppliers in total purchases of the Modivo Group only was 51%). The purchasing structure of the CCC Group, including purchases by the Modivo Group, is presented below.



[1] In the 'Other' category, purchases in any single country did not exceed 5% of the CCC Group's total purchases.

For a detailed description of the supply chain, see the Non-Financial Report of the CCC Group for the 2021 financial year, which is available from https://corporate.ccc.eu/raporty-csr.

17.2. LOGISTICS

The CCC Group currently operates three logistics centres: the centre in Polkowice (serving mainly offline stores), two buildings in Zielona Góra and a new facility in Bucharest, Romania (serving e-commerce).

Logistics Centre in the Legnica Special Economic Zone (LSEZ) in Polkowice

Offline: storage space of 158,000 m^2, which can accommodate 39 million pairs of footwear, shipping capacity of 794,000 pairs per day

The Group's development, increased demand for its products and ever greater requirements in terms of distribution efficiency contributed to the implementation of the project to construct a Logistics Centre in the Legnica Special Economic Zone (LSEZ) in Polkowice. The Centre is a modern complex of large-area buildings.
The most important facility of the Logistics Centre is a fully automated high-bay mini-load warehouse, with a total area of 23 thousand m^2, which can hold up to 5 million pairs of shoes, i.e., over 500 thousand cardboard boxes of various sizes. It is the largest facility of its kind in Central Europe. Forty percent of the capital expenditure was financed from EU funds through the Innovative Economy programme.
The new Distribution Centre, combined with the existing sorting facility, can handle over 100,000 cardboard boxes (or ca. 1 million pairs of shoes) in two working shifts. The mechanisation process provides support for future growth and a platform for further expansion of the logistics processes. Moreover, the current storage space at the facility, of approximately 110,000 m^2, can be further optimised.
In the six months ended July 31st 2021, a project was completed to adapt one of the warehouses in Polkowice to the processes employed by the new HalfPrice concept. The 20,000 m^2 facility was modernised in terms of its technical infrastructure and equipment. New rack systems were installed, increasing the capacity of the goods storage area to approximately 6 million SKUs, and the customised storage processes and goods handling areas will allow the distribution efficiency to be increased to 1.5 million pcs per month.
On October 4th 2021, following upgrade works of only two months, a modern e-commerce Fulfilment Centre for HalfPrice was opened in the former CCC footwear factory. A current stocks warehouse was arranged over an area of 5,000 m^2 on two storeys. It can store 220,000 pieces of footwear, clothing, homewares and beauty goods for the needs of the HalfPrice ongoing e-commerce campaigns. On the ground floor, there is a goods receipt zone, stations equipped with modern infrastructure for the picking up of orders to be shipped to end customers, and a courier delivery zone. Hidden launch of the Centre took place on October 26th 2021, but the Centre reached its full operational capability and went live on December 9th 2021.
The HalfPrice e-commerce centre is technically capable of handling up to 16,000 multi-item orders per day. Orders placed by 1.00pm are delivered the following day. The Centre staff are mainly employees of the former footwear factory.

E-Commerce Logistics Centre in Zielona Góra

Online: two buildings with a total storage area of 63,600 m^2, capable of accommodating 10.2m products, with a total shipping capacity of 215,000 products per day

The Logistics Centre in Zielona Góra consists of two facilities. K1 – with a storage area of 11,800 m^2, accommodating up to 1.8m products, with a shipping capacity of 50,000 items per day. K2 – with a storage area of 51,800 m^2, accommodating up to 8.4m products, with a shipping capacity of 165,000 items per day.

Built back in 2016, Modivo S.A.'s Logistics Centre in the Lubuski Industrial Park in Zielona Góra is the Group's first shipping warehouse dedicated to serving the online sector. At present, it provides logistics support for CCC's products sold through the virtual channel. The K1 warehouse and the nearby K2 warehouse provided the foundations for Modivo S.A.'s New Logistics Centre, a project that strengthens growth in the European markets served by the Group and improves logistics support for CCC Group entities, including digital sales of the CCC Group's products. December 2019 saw the completion

of the facility with an area of just under 40,000 m^2, in which the receipt of goods and implementation of automated systems commenced in the same year, and was followed by the start of shipment processing in the first quarter of 2020.
In the first half of 2020, work on a 15,000 m^2 extension of the New Logistics Centre began. The occupancy permit for the new K3 building obtained in January 2021 mad it possible to launch business operations in the new building and fully utilise the new warehouse space before the spring sales peak.
Following the extension of its own warehouse, Modivo S.A. decided to terminate the lease of warehouse space from Panattoni. The lease was terminated in August 2021, which helped optimise logistics costs, enhance operational efficiency and significantly improve the timeliness of supplies.
The Management Board of Modivo S.A. also decided to extend the K3 warehouse building by adding another 22,000 m^2 of floor space. Completion of the construction work and expansion of warehouse automation is currently planned for late 2022 and early 2023. It will allow the New Distribution Centre in Zielona Góra to increase its capacity and prepare it for future sales peaks. In parallel, work is underway to further improve the handling of orders and processing of returns. The running projects, including those designed to optimise automation systems, are expected to enable next business day (NBD) deliveries for customers in key markets.

E-Commerce Logistics Centre in Bucharest

Online: a building with a total storage area of 15,000 m^2, capable of accommodating up to 2.1m products, with a shipping capacity of 24,000 products per day

In December 2020, Modivo S.A. signed a ten-year contract for the lease of a warehouse building in Stefanesti near Bucharest. The building is designated as R1. In the fourth quarter of 2021, the facility was put into service and in January 2022 operating activities commenced. The warehouse currently serves customers in Romania, Bulgaria and Greece. The main reason behind locating the Fulfilment Centre in Bucharest is to reduce the order execution time and, consequently, to further increase sales in the target markets and lessen the workload on the warehouses in Zielona Góra.
Installation of the conveyor automation and sorting systems is due to begin in the third quarter of 2022. The planned commissioning and optimisation of the new equipment is scheduled for completion in the second quarter of 2023, But the automation system should start to efficiently support logistics operations in the first months after installation.
Given the rapid growth in southern Europe, a decision was made to expand the R1 warehouse by an additional 30,000 m^2 (2 x 15,000 m^2). The new sections of the warehouse are scheduled to start commercial operation in the first and fourth quarters of 2023. The section of the Bucharest Centre that is to be handed over for commercial operation last will be primarily dedicated to supporting the operations of the other CCC Group companies in the southern markets as part of broad synergies.

Logistics Centre in Wola Bykowska

Online: a building with a total storage area of 42,000 m^2, 3m products stored in racking systems, and an estimated shipping capacity of 60,000 products per day

In late June and early July 2022, a contract was signed under which Poland’s largest logistics operator, InPost, will provide fulfilment services for products sold mainly under the Modivo brand. Shipments from the L1 warehouse in Wola Bykowska are due to start in February 2023, but the transfer of goods to the new facility should begin in late December 2022. What differentiates the warehouse where the new logistics partner will operate is its close proximity to InPost’s main sorting facility, enabling the last hour for the fulfilment of NBD delivery orders to be pushed to the values currently unattainable by competitors. The focus on clothing products will also be a major advantage that should greatly improve the average process efficiency at both InPost’s warehouse and the facilities in Zielona Góra, which will then be able to concentrate on footwear handling, thus increasing the efficiency of their automation systems.

17.3. DISTRIBUTION

Distribution within the CCC Group is allocated to three geographical regions:

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

The breakdown of the Group's operations by distribution channel is as follows:

- CCC Omnichannel
- eobuwie Omnichannel
- Modivo Omnichannel
- HalfPrice Omnichannel
- DeeZee Digital
- Other*

*The segment comprises wholesale, franchise and other activities.

GEOGRAPHICAL COVERAGE OF CCC GROUP SALES CHANNELS

According to *Statista* forecasts, the global footwear market will grow at a CAGR of 5.9% (CAGR 2022–2027), and the global apparel market – at a CAGR of 5.5% (CAGR 2022–2026). The CCC Group's main sales market is the clothing and footwear market of Central and Eastern Europe (CEE). In 2021, the Group's share in the footwear retail market in the CEE region (comprising Poland, the Czech Republic, Hungary, Romania, Slovakia, Croatia, Slovenia, Bulgaria and Serbia) was close to 20%.
The CCC Group's slice of the domestic footwear market is growing every year. In 2021, the Group's share in the fragmented footwear retail market in Poland was estimated at close to 30%.
Outside Poland, the Group operates in Central and Eastern Europe, Western Europe, the Baltic States, the Balkans and the Middle East. The Group's showrooms operate in large shopping centres or at attractive high-street locations.

CHAIN	COUNTRY	July 31st 2022		January 31st 2022	
		m^2	NUMBER	m^2	NUMBER
CCC	Poland	282,829	442	278,752	432
	Hungary	52,851	76	54,035	79
	Czech Republic	50,046	85	53,264	86
	Romania	48,420	76	49,898	80
	Slovakia	34,338	52	34,896	53
	Croatia	21,197	29	21,015	29
	Slovenia	12,589	17	13,830	17
	Bulgaria	11,650	17	11,651	17
	Serbia	11,050	14	11,056	14
	Latvia	4,249	6	–	–
	Estonia	2,879	3	–	–
	Lithuania	1,420	2	–	–
TOTAL		**533,518**	**819**	**528,397**	**807**
OTHER	HalfPrice	128,719	77	84,810	61
	Modivo	22,926	33	20,715	28
TOTAL OWN STORES		**685,163**	**929**	**633,922**	**896**

CHAIN	COUNTRY	July 31st 2022		January 31st 2022	
		m^2	NUMBER	m^2	NUMBER
CCC FRANCHISE	Ukraine	10,552	16	11,613	17
	UAE*	5,302	6	5,302	6
	Saudi Arabia	2,420	3	2,420	3
	Kosovo	1,958	2	1,958	2
	Oman	1,223	1	1,223	1
	Qatar	1,002	1	1,002	1
	Bahrain	929	1	929	1
	Moldova	740	1	740	1
	Latvia	–	–	4,559	7
	Estonia	–	–	2,879	3
	Lithuania	–	–	2,020	3
TOTAL FRANCHISE		**24,126**	**31**	**34,645**	**45**
TOTAL CCC GROUP		**709,289**	**960**	**668,567**	**941**
Discontinued operations	Russia	–	–	26,880	40

*United Arab Emirates

Omnichannel sales

Omnichannel sales in the CCC Group’s offline segment are made through the CCC, eobuwie, Modivo and HalfPrice own stores. In the reporting period, own stores operated in Poland, Hungary, the Czech Republic, Romania, Slovakia, Croatia, Slovenia, Bulgaria, Serbia, Latvia, Estonia, Lithuania, and Austria (through the HalfPrice chain). As at the reporting date, the total number of these stores was 929 (including 77 HalfPrice stores and 33 eobuwie stores), with the number of franchise stores totalling 31.

The digital segment of omnichannel sales is represented by CCC, eobuwie, Modivo, and HalfPrice. As at reporting date, CCC’s digital business was conducted in Poland, Hungary, Czech Republic, Romania, Slovakia, Croatia, Slovenia, Bulgaria, Austria, Ukraine, and Greece. The dedicated sales app was available in Poland, the Czech Republic, Slovakia, Romania, Hungary, Bulgaria, Greece, and Austria. The mobile app was downloaded more than nine million times (September 2022), with every fourth złoty earned by CCC during the reported period generated by the app.
In 2020, the Group expanded its services supporting online shopping with CCC Express (deliveries even within 90 minutes, available in 37 Polish cities as at the reporting date), deliveries over the weekend via InPost, and deferred PayPo payments. What is more, 2021 saw the implementation of OMS (Order Management System), which transformed CCC stores into mini-hubs that can ship e-commerce orders, offering customers better access to more products.

As at the reporting date, eobuwie operated (under local domain names) in Poland, the Czech Republic, Slovakia, Slovenia, Romania, Hungary, Bulgaria, Croatia, Switzerland, Ukraine, Greece, Italy, Lithuania, Germany, Sweden, Spain, France, Austria, and Latvia. The eobuwie app (operating under local names) was available on all of those markets. The Modivo platform is also available in these countries (except for Switzerland, Sweden and Spain). In addition, the innovative esize.me function was launched in the eobuwie app in the Czech Republic, Hungary, Bulgaria and Greece in August 2021.

HalfPrice is a modern store concept in the off-price segment, offering a wide variety of popular brands at attractive prices, including clothing, footwear, accessories, toys and home furnishings and decor. The network, launched in Poland in May 2021, operated in seven European markets as at the reporting date. As at the reporting date, HalfPrice operated 66 stores in Poland, three in Austria, two in each of Hungary, the Czech Republic and Slovenia, and one in each of Croatia and Slovakia.

Omnichannel sales revenue increased in the reporting period by PLN 870.0m (up26.7%) year on year, to PLN 4,124.9m, accounting for 96.8% of total sales.

(all amounts in PLN million unless stated otherwise)

Digital sales

As at the reporting date, DeeZee operated exclusively in the digital segment. Digital sales revenue fell in the reporting period by PLN 1.2m (down 2.2%) year on year, to PLN 53.9m, accounting for 1.3% of total sales.

Wholesale and other sales

In the reporting period, wholesale customers were franchisees operating in Ukraine, Latvia, Lithuania, Estonia, the United Arab Emirates, Kosovo, Saudi Arabia, Bahrain, Qatar, Moldova and Oman. As at the reporting date, stores in Latvia, Lithuania and Estonia were part of the CCC Group structure, with the number of franchise stores totalling 31.

Revenue from wholesale and sale of services increased in the reporting period by PLN 0.3m (up 0.5%) in total, to PLN 67.8m, accounting for 1.6% of total sales. The above figures include continuing operations.

CHANGES IN EXCHANGE RATES

Part of the settlements of the CCC Group is denominated in foreign currencies. The USD and EUR exchange rates have an impact on the structure of revenue and costs. As the Group imports merchandise whose purchase prices are mainly denominated in USD, and also sells finished goods on foreign markets where selling prices are denominated in EUR, the Group is exposed to currency risk. The Group also provides loans denominated in foreign currencies.

PERIOD (USD/PLN)	HIGH	LOW	END OF PERIOD	MID
February 1st–July 31st 2022	4.8284	3.9218	4.6365	4.3613
February 1st 2021–January 31st 2022	4.1893	3.6545	4.1147	3.9065
February 1st–July 31st 2021	4.2654	3.6545	3.8410	3.8950

PERIOD (EUR/PLN)	HIGH	LOW	END OF PERIOD	MID
February 1st–July 31st 2022	4.9647	4.4879	4.7399	4.6663
February 1st 2021–January 31st 2022	4.7210	4.4541	4.5982	4.5825
February 1st–July 31st 2021	4.6603	4.2279	4.5731	4.4846

18. MARKET ENVIRONMENT AND COMPETITION IN OUR KEY REGIONS

The main external factors affecting the Group’s business are the macroeconomic environment, industry outlook, and the competitive environment in the Group’s key operating regions.

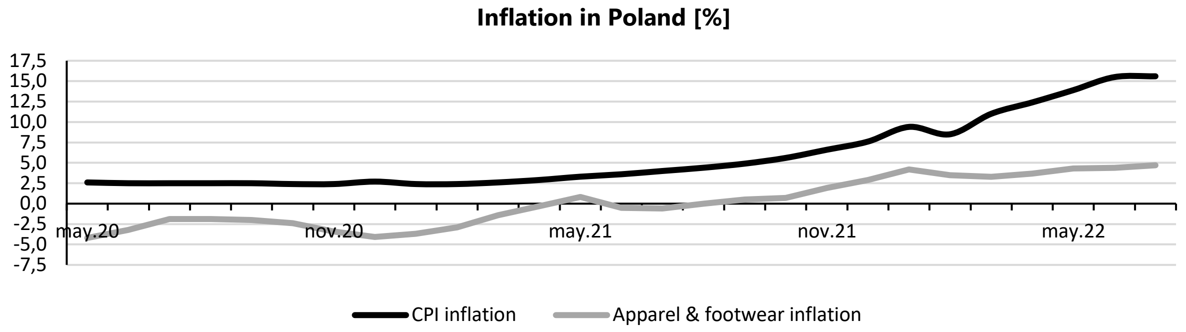
18.1. MACROECONOMIC GROWTH IN POLAND AND CENTRAL AND EASTERN EUROPE

The CCC Group operates mainly on the markets of Central and Eastern Europe, with a clear dominance of the Polish market. As a result of the location of the Group’s sales channels in this region, the condition of the CEE economies has a significant impact on the sales of the Group.

The main factors that influenced the financial results in the reporting period were:

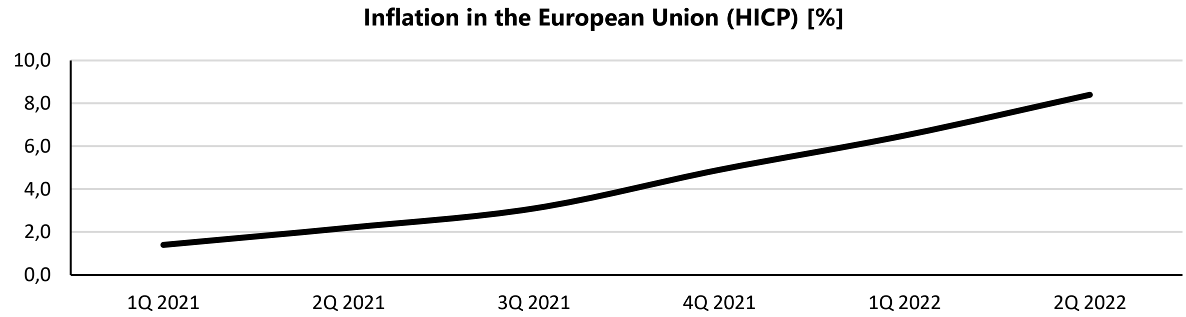
- **change in disposable income of consumers, change in propensity for consumption, change of shopping preferences**

Inflation has been rising fast over the past few months.



Source: NBP

Growing inflation changes the distribution of disposable income of consumers and consequently affects their shopping preferences. Customers tend to choose cheaper products and show higher price sensitivity. The Group makes every effort to ensure that the product offering is best tailored to customers' needs and takes numerous measures to steadily expand its range – in recent months new economy brands have been added to CCC's product portfolio to reduce threshold prices. Inflation for apparel and footwear has also been rising in recent months, albeit at a slower rate than the CPI.



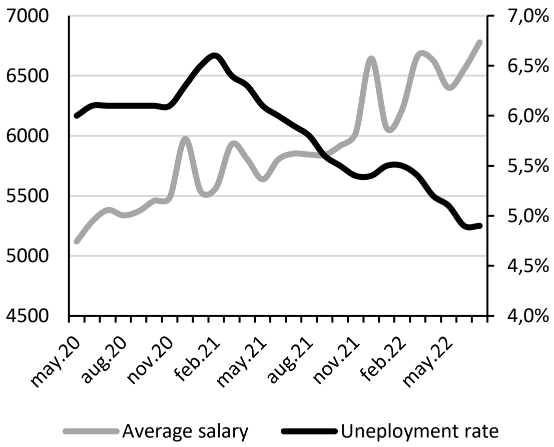
Source: EC

High inflation is seen across the European Union. According to European Commission data, the HICP inflation rate was approximately 8.4% for all member states in the second quarter of 2022.

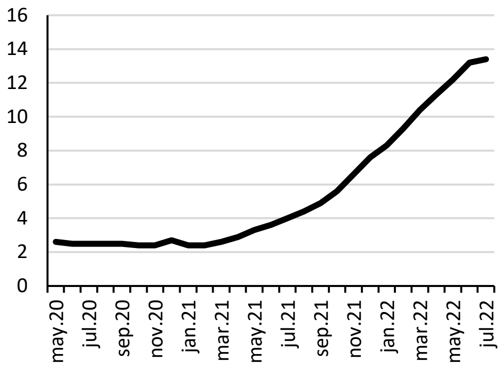
- **cost pressures**

The inflation's impact is also seen on the cost side. Since 2021, wages have been rising rapidly while unemployment remained relatively low. Such a situation leads to wage pressures.

Unemployment rate and wage growth [%]



Increase in construction and assembly prices [%]

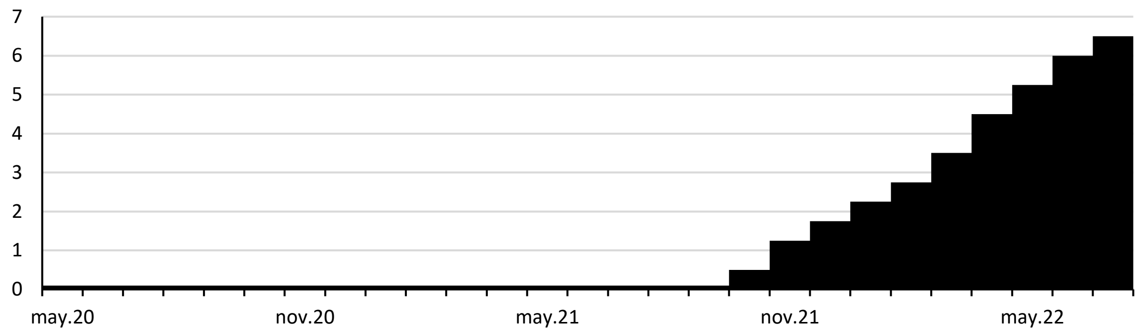


Source: Statistics Poland, National Bank of Poland

Since the second half of 2021, the prices of construction and assembly output have been growing rapidly, which mainly affected the costs and expenditure on the expansion of the offline sales chain. The CCC Group takes numerous measures to mitigate the inflationary cost increase.

– **interest rate development**

Reference rate in Poland [%]

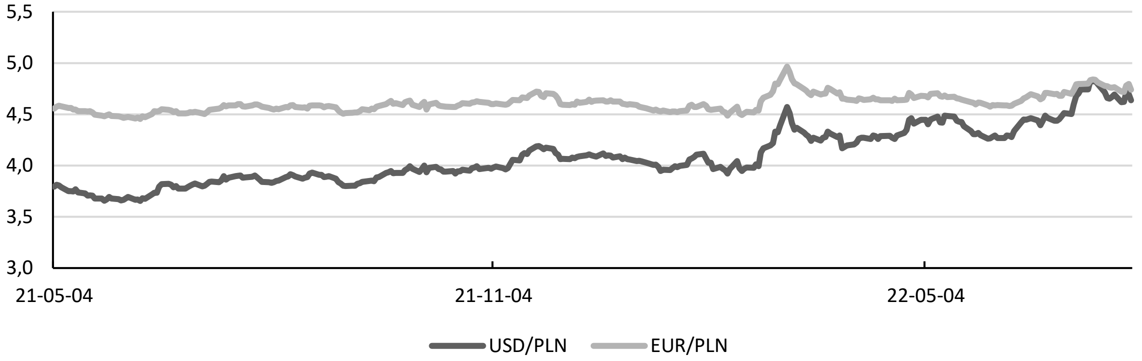


Source: NBP

Due to the strong growth of inflation in Poland, in October 2021 the Monetary Policy Council of the National Bank of Poland started a series of reference rate rises. In July 2022, the reference rate was increased to 6.5%. The interest rate hikes lead to higher debt service costs for the Group.

– **foreign exchange**

EUR/PLN and USD/PLN exchange rates [PLN]



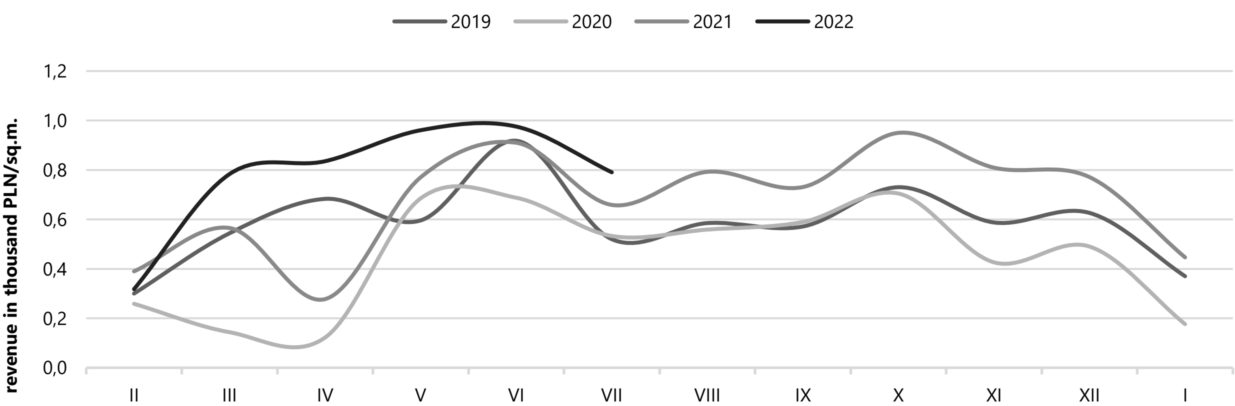
Source: NBP

In late 2021 and early 2022, the geopolitical situation contributed to a strengthening of foreign currencies – the euro and the US dollar – against the Polish złoty. The depreciation of the złoty is exerting pressure on gross margin (USD, EUR) and rental costs (EUR). The Group mitigates the impact of changes in foreign exchange rates on its performance by actively adjusting its pricing and discount policies. It is also seeks to enter into contracts providing for flexible terms of lease of retail space, and some of its revenue is generated in the euro.

18.2. SEASONALITY

The weather and seasonality have a significant effect on the distribution of revenue during the financial year (peak demand falls in spring and autumn). Disruptive weather conditions can result in customers postponing purchasing decisions or in a shortened peak sales season. In 2020–2021, the seasonality of sales was disrupted by the effects of the global coronavirus pandemic and, in particular, by several rounds of administrative restrictions on retail trade through offline stores in most of the Group's markets.

Seasonality of revenue for CCC network in Poland in 2019–2022



18.3. KEY TRENDS IN THE FOOTWEAR AND CLOTHING MARKET AND CUSTOMERS' SHOPPING HABITS:

The Group has identified four key categories of trends which currently shape the footwear and clothing market and affect customers:
1. Product
2. Competition
3. Sales channels
4. Experience

As a result, customers today make purchases in an increasingly complex manner involving multiple channels:

1. They shops online and use digital solutions
2. They appreciate a positive shopping experience and extra services
3. They make informed purchasing decisions

18.4. STRATEGY ADAPTED TO MARKET CHANGES

In response to the changing market, the CCC Group developed and is implementing the GO.25 strategy. The Group's strategy will be implemented through the omnichannel platform, which includes:

Business lines: Five strong complementary business lines – CCC, eobuwie, Modivo, HalfPrice and DeeZee – which complement one another in terms of sales channels and product mix

Channels: Overlapping offline and online channels to help the customer choose the best way to make a purchase

Products: Diverse product mix, offering customers a wide range of footwear, clothing, accessories and other categories (homeware, health and beauty, and other products)
Platform foundations: Mainly the product, communication, supply chain, technology, finance, sustainable development, culture and people

The CCC Group's omnichannel platform is a unique ecosystem for products representing various brands (both private label and third-party brands, which are consistently developed by the Group), enabling the flow of products from full-price (CCC, eobuwie, Modivo, DeeZee) to off-price (HalfPrice) channels.

As part of the new strategy, the Company has identified seven key strategic goals:
1) **3x business** – threefold expansion of the Group's business scale by leveraging the omnichannel platform model
2) **EBITDA margin > 12%**
3) **New categories accounting for more than one-third of total sales** – strong entry into new fashion categories, including clothing, homeware and beauty products
4) **60% share of online sales** – with the focus on a well-balanced share of pure online and digitalised offline channels
5) **NPS + 10p for all business lines and channels** – our strategic goal is to increase NPS across all business lines and channels while maintaining focus on the customer and continuously enhancing customer experience, and we have set ourselves the sustainability goals of circularity, low carbon intensity, diversity
and transparency that underlie our strategic efforts:
6) **MSCI ESG rating of A+**
7) **Employee** engagement +10pp vs. industry average

The CCC Group's strategy is discussed at length in the 'CCC Group's strategy, Execution and growth plans' section of the full-year consolidated Directors' Report on the operations of the CCC Group.

(all amounts in PLN million unless stated otherwise)

19. OPERATIONAL DATA ON MODIVO S.A. SALES

KPI	Unit	Business line	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	change [yoy]
Share of mobile visits	%	eobuwie	78.8%	77.6%	79.1%	79.9%	80.5%	1.7%
		Modivo	77.7%	79.4%	79.3%	78.4%	79.1%	1.5%
Conversion rate	%	eobuwie	2.1%	1.8%	1.7%	1.9%	2.3%	0.1%
		Modivo	1.5%	1.3%	1.6%	1.5%	1.8%	0.4%
Active customers	k	eobuwie	6,968	7,356	7,591	7,814	8,102	1,134
		Modivo	723	879	1,200	1,386	1,669	946
Number of SKUs	k	eobuwie	106,000	120,000	125,000	132,000	137,000	31,000
		Modivo	53,000	64,000	75,000	91,000	103,000	50,000

Definitions:

Share of mobile visits – share of visits via the mobile channel (including the tablet) in the total number of sessions.
Conversion rate – the total number of orders divided by the total number of sessions.
Active customers – the number of customers who have made at least one transaction in the last 12 months.
Average number of SKUs (Stock Keeping Units) – the average number of SKUs in the main warehouse during a quarter, rounded to the nearest thousand.

20. ANALYSIS OF SELECTED FINANCIAL AND OPERATING DATA OF THE CCC GROUP

20.1. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (KEY ITEMS)

REVENUE, COST OF SALES AND GROSS PROFIT

REVENUE BY DISTRIBUTION CHANNELS

	REVENUE [1]					
	February 1st–July 31st 2022	February 1st–July 31st 2021	Change (%)	May 1st–July 31st 2022	May 1st–July 31st 2021	Change (%)
	unaudited, reviewed	unaudited, reviewed, restated*		unaudited, unreviewed	unaudited, unreviewed, restated*	
CCC	1,932.6	1,649.4	17.2%	1,152.2	1,101.4	4.6%
eobuwie	1,542.6	1,373.7	12.3%	797.5	710.2	12.3%
Modivo	349.4	191.6	82.4%	187.0	94.9	97.0%
HalfPrice	300.3	40.2	>100%	181.8	39.1	>100%
DeeZee	53.9	55.1	-2.2%	27.9	30.0	-7.0%
Other	67.8	67.5	0.5%	28.4	24.6	15.5%
Total	**4,246.6**	**3,377.5**	**25.7%**	**2,374.8**	**2,000.2**	**18.7%**
Not allocated to segments/discontinued operations	12.8	76.0	-83.2%	2.6	33.2	-92.2%
Total	**4,259.4**	**3,453.5**	**23.3%**	**2,377.4**	**2,033.4**	**16.9%**

* As data for the current reporting period includes discontinued operations, the comparative data was restated.

(all amounts in PLN million unless stated otherwise)

REVENUE BY GEOGRAPHICAL SEGMENTS

	REVENUE [1]					
	February 1st–July 31st 2022	February 1st–July 31st 2021	Change (%)	May 1st–July 31st 2022	May 1st–July 31st 2021	Change (%)
	unaudited, reviewed	unaudited, reviewed, restated*		unaudited, unreviewed	unaudited, unreviewed, restated*	
Poland	2,270.4	1,775.9	27.8%	1,268.8	1,071.3	18.4%
Central and Eastern Europe	1,522.4	1,199.8	26.9%	869.0	711.9	22.1%
Western Europe	453.8	401.8	12.9%	237.0	217.0	9.2%
Total	**4,246.6**	**3,377.5**	**25.7%**	**2,374.8**	**2,000.2**	**18.7%**
Not allocated to segments/discontinued operations	12.8	76.0	-83.2%	2.6	33.2	-92.2%
Total	**4,259.4**	**3,453.5**	**23.3%**	**2,377.4**	**2,033.4**	**16.9%**

* As data for the current reporting period includes discontinued operations, the comparative data was restated.

[1] Only revenue from sales to external customers.

In the reporting period, revenue was PLN 4,259.4m, having increased by PLN 805.9m (23.3%) year on year.

In terms of the distribution channel, the largest contributions to revenue growth were from the CCC network (up PLN 283.2m or 17.2%) and the HalfPrice network (up PLN 260.1m or over 100%).

In terms of geographical segments, the largest contributions to the revenue growth were seen in Poland (up PLN 494.5m or 27.8%) and Central and Eastern Europe (up PLN 322.6m or 26.9%).

The revenue was affected by the change in sales at like-for-like stores, product mix expansion and changes resulting from the opening and closing of retail outlets. The breakdown of revenue into like-for-like sales and sales by newly opened or closed outlets is presented below.

LIKE-FOR-LIKE STORES

		LIKE-FOR-LIKE STORES [1]				OTHER STORES [2]		
BUSINESS LINE	**SEGMENT**	**NUMBER**	February 1st–July 31st 2022	February 1st–July 31st 2021	Change (%)	February 1st–July 31st 2022	February 1st–July 31st 2021	Change (%)
			unaudited, reviewed	unaudited, reviewed, restated*		unaudited, reviewed	unaudited, reviewed, restated*	
CCC	Poland	369	793.5	728.3	9.0%	146.7	168.2	-12.8%
CCC	Central and Eastern Europe	344	562.8	427.0	31.8%	47.3	40.1	17.9%
CCC	Western Europe	–	–	–	-	–	62.9	−100.0%
HalfPrice	Poland	–	–	–	-	229.7	40.2	471.4%
HalfPrice	Central and Eastern Europe	–	–	–	-	33.5	–	-
HalfPrice	Western Europe	–	–	–	-	25.8	–	-
Total		**713**	**1,356.3**	**1,155.3**	**17.4%**	**483.0**	**311.4**	**55.1%**

* As data for the current reporting period includes discontinued operations, the comparative data was restated.

[1] Like-for-like stores are stores that operated without interruption in 2021 and 2022.
[2] All other stores, including new stores opened in the current or previous year; stores closed in the current or previous year; and stores which temporarily suspended operations.

In the reporting period, revenue generated by like-for-like stores rose by PLN 201.0m (up +17.4%). Like-for-like stores are CCC stores only and report growth in Poland (up +9.0%) and Central and Eastern Europe (up +31.8%).

Poland continues to be the largest retail market, with a 63.6% share in total revenue in the first half of FY 2022 (PLN 1,169.9m), compared with 63.9% (PLN 936.7m) in the same period of 2021.

The PLN 233.3m year-on-year growth in revenue generated in Poland was attributable to revenue from like-for-like stores (up PLN 65.2m) and revenue from other stores (up PLN 168.0m), including the HalfPrice chain (up PLN 189.5m). As at the reporting date, retail space in Poland totalled 392,0 m^2, up 68,900 m^2 on the previous year.

In the CEE segment as a whole, revenue was PLN 643.6m, having gone up 37.8% year on year. In the same period, net retail space in Central and Eastern Europe rose by 17,100 m^2.

GROSS PROFIT BY DISTRIBUTION CHANNEL

	GROSS PROFIT					
	February 1st–July 31st 2022	February 1st–July 31st 2021	Change (%)	May 1st–July 31st 2022	May 1st–July 31st 2021	Change (%)
	unaudited, reviewed	unaudited, reviewed, restated*		unaudited, unreviewed	unaudited, unreviewed, restated*	
CCC	1,078.1	843.1	27.9%	625.1	574.8	8.8%
eobuwie	665.8	597.0	11.5%	340.8	309.4	10.1%
Modivo	145.2	75.2	93.1%	78.5	36.2	>100%
HalfPrice	136.9	21.4	>100%	82.5	20.8	>100%
DeeZee	28.8	31.3	−8.0%	15.4	16.7	−7.8%
Other	-2.6	1.5	<-100%	-12.9	1.2	<-100%
Total	**2,052.2**	**1,569.5**	**30.8%**	**1,129.4**	**959.1**	**17.8%**

* As data for the current reporting period includes discontinued operations, the comparative data was restated.

GROSS PROFIT BY GEOGRAPHICAL SEGMENTS

	GROSS PROFIT					
	February 1st–July 31st 2022	February 1st–July 31st 2021	Change (%)	May 1st–July 31st 2022	May 1st–July 31st 2021	Change (%)
	unaudited, reviewed	unaudited, reviewed, restated*		unaudited, unreviewed	unaudited, unreviewed, restated*	
Poland	1,066.9	787.9	35.4%	577.5	500.1	15.5%
Central and Eastern Europe	779.8	590.0	32.2%	446.8	357.6	24.9%
Western Europe	205.5	191.6	7.3%	105.1	101.4	3.6%
Total	**2,052.2**	**1,569.5**	**30.8%**	**1,129.4**	**959.1**	**17.8%**

* As data for the current reporting period includes discontinued operations, the comparative data was restated.

In the reporting period, consolidated gross profit was PLN 2,052.2m, having increased by PLN 482.7m (30.8%) year on year. Poland (52.0%) and Central and Eastern Europe (38.0%) accounted for the largest shares of total gross profit in the reporting period. In terms of sales channel, the largest shares was recorded by CCC (52.5%) and eobuwie.pl (32.4%).

Second-quarter consolidated gross margin was PLN 1,129.4m, having increased by PLN 170.3m (17.8%) year on year.

GROSS PROFIT

	February 1st–July 31st 2022	February 1st–July 31st 2021	Change (%)	May 1st–July 31st 2022	May 1st–July 31st 2021	Change (%)
	unaudited, reviewed	unaudited, reviewed, restated*		unaudited, unreviewed	unaudited, unreviewed, restated*	
Revenue from sales to external customers	4,259.4	3,453.5	23.3%	2,377.4	2,033.4	16.9%
Cost of sales	-2,156.8	-1,776.7	21.4%	-1,194.9	-1,009.8	18.3%
Cost of sales not allocated to segments	–	-76.0	−100.0%	-2.7	-33.2	-92.0%
Inventory write-downs	-50.4	-31.3	61.0%	-50.4	-31.3	61.0%
Gross profit	**2,052.2**	**1,569.5**	**30.8%**	**1,129.4**	**959.1**	**17.8%**

* As data for the current reporting period includes discontinued operations, the comparative data was restated.

(all amounts in PLN million unless stated otherwise)

OPERATING COSTS

COSTS OF POINTS OF PURCHASE AND DISTRIBUTION

	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION					
	February 1st–July 31st 2022	February 1st–July 31st 2021	Change (%)	May 1st–July 31st 2022	May 1st–July 31st 2021	Change (%)
	unaudited, reviewed	unaudited, reviewed, restated*		unaudited, unreviewed	unaudited, unreviewed, restated*	
Salaries, wages and employee benefits	-479.8	-324.9	47.7%	-247.6	-169.6	46.0%
Advertising	-320.4	-246.5	30.0%	-112.7	-65.7	71.5%
Depreciation	-267.5	-254.2	5.2%	-131.9	-134.7	−2.1%
Other expenses	-230.5	-206.8	11.5%	-184.9	-184.8	0.1%
Transport services	-229.8	-192.4	19.4%	-124.8	-104.2	19.8%
Other rental costs – utilities and other variable costs	-155.6	-94.9	64.0%	-82.7	-52.4	57.8%
Raw material and consumables used	-86.2	-63.1	36.6%	-39.5	-35.9	10.0%
Taxes and charges	-19.6	-14.1	39.0%	-11.3	-9.0	25.6%
Total	**-1,789.4**	**-1,396.9**	**28.1%**	**-935.4**	**-756.3**	**23.7%**

* Due to the presentation of discontinued operations in the current-period data and change of cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

ADMINISTRATIVE EXPENSES

	ADMINISTRATIVE EXPENSES					
	February 1st–July 31st 2022	February 1st–July 31st 2021	Change (%)	May 1st–July 31st 2022	May 1st–July 31st 2021	Change (%)
	unaudited, reviewed	unaudited, reviewed, restated*		unaudited, unreviewed	unaudited, unreviewed, restated*	
Salaries, wages and employee benefits	-87.4	-74.4	17.5%	-44.0	-51.0	−13.7%
Other expenses	-41.7	-56.0	−25.5%	-17.8	-38.6	−53.9%
Depreciation	-24.0	-23.9	0.4%	-13.8	-11.7	17.9%
Raw material and consumables used	-14.8	-9.3	59.1%	-6.3	-5.4	16.7%
Other rental costs – utilities and other variable costs	-13.1	-10.9	20.2%	-7.1	-5.6	26.8%
Taxes and charges	-2.8	-4.1	−31.7%	-1.6	-3.1	−48.4%
Advertising	-1.7	-14.6	−88.4%	-1.3	-6.6	−80.3%
Transport services	-0.2	–	-	-0.2	–	-
Total	**-185.7**	**-193.2**	**−3.9%**	**-92.1**	**-122.0**	**−24.5%**

* Due to the presentation of discontinued operations in the current-period data and change of cost presentation (combination of costs of points of purchase and other distribution costs), data for the comparative period was restated.

EFFECT OF OTHER INCOME AND EXPENSES

OPERATING INCOME AND EXPENSES

In the reporting period, other expenses and other income attributable to continuing operations were PLN 98.6m and PLN 27.1m, respectively; on a net basis, the Group generated PLN 71.5m of other expenses, compared with PLN 5.2m of other income in the corresponding period of 2021. The change was largely attributable to the recognition in the reporting period of foreign exchange losses on items other than debt (PLN 69.5m).

OPERATING PROFIT (LOSS)

Operating loss in the reporting period was PLN 25.2m. Year on year, the result decreased by PLN 2.0m. The decrease was mainly attributable to higher operating expenses and foreign exchange losses on items other than debt, which were partly offset by revenue growth (up PLN 805.9m) and a higher gross margin (up 3.2pp). The increase in operating income and expenses was due mainly to the revival of sales in the retail channel, development of the digital channel and the omnichannel model, expansion of the product portfolio, and growth of the HalfPrice segment. The growth in margins was a combined effect of higher initial-price sales and discount policy management, among other factors.

(all amounts in PLN million unless stated otherwise)

FINANCE INCOME AND COSTS

In the reporting period, finance costs and finance income attributable to continuing operations were PLN 205.2m and PLN 18.6m, respectively; on a net basis, the Group generated PLN 186.6m of finance costs, compared with PLN 54.8m of finance costs in the corresponding period of 2021. The largest items of finance costs were interest expense on borrowings (PLN 130.4m, compared with PLN 16.6m in the same period of the previous year), interest expense on leases (PLN 17.7m compared with PLN 24.5m in the same period of the previous year), and foreign exchange losses (PLN 35.3m vs. foreign exchange gains of PLN 0.4m in the same period last year). The largest item of finance income was the measurement of the derivative financial instrument embedded in bonds issued to PFR (Equity Kicker) (PLN 11.1m for the current period alone).

INCOME TAX

In the reporting period, income tax recognised in the statement of comprehensive income totalled PLN 2.4m.

NET PROFIT (LOSS)

After accounting for finance income and costs, loss allowances, share in the loss of an associate and income tax expense, net loss from continuing operations in the reporting period was PLN 214.2m, up by PLN 121.8m year on year.

20.2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (OVERVIEW OF THE MAIN ITEMS)

	July 31st 2022	January 31st 2022	Change (%)
	unaudited, reviewed	audited	
Non-current assets, including:	**3,439.0**	**3,393.8**	**1.3%**
Total property, plant and equipment	1,373.3	1,288.7	6.6%
Right-of-use assets	1,317.6	1,388.9	−5.1%
Deferred tax assets	179.8	175.5	2.5%
Current assets, including:	**4,145.5**	**4,106.9**	**0.9%**
Inventories	2,950.7	2,625.8	12.4%
Cash and cash equivalents	710.1	941.1	-24.5%
TOTAL ASSETS	**7,584.5**	**7,500.7**	**1.1%**
Non-current liabilities, including:	**2,648.7**	**3,410.2**	**−22.3%**
Bank borrowings and bonds	1,230.5	1,914.6	−35.7%
Lease liabilities	1,275.6	1,303.9	-2.2%
Current liabilities, including:	**4,005.1**	**2,938.9**	**36.3%**
Bank borrowings and bonds	1,335.1	545.0	>100%
Trade and other payables	1,642.4	1,480.1	11.0%
TOTAL LIABILITIES	**6,653.8**	**6,349.1**	**4.8%**
EQUITY	**930.7**	**1,151.6**	**-19.2%**

INVENTORY

	INVENTORY		
	July 31st 2022	July 31st 2021	change [% yoy]
	unaudited, reviewed	unaudited, reviewed	
CCC	1,454.1	1,481.5	-1.9%
eobuwie	979.2	687.7	42.4%
Modivo	273.3	119.5	>100%
HalfPrice	219.6	103.8	>100%
DeeZee	24.4	24.6	-0.8%
Other companies	0.1	–	-
Total	**2,950.7**	**2,417.1**	**22.1%**

CASH AND CASH EQUIVALENTS

As at July 31st 2022, the CCC Group's cash and cash equivalents were PLN 710.1m, having decreased by PLN 231.0m (down 24.5%) on a net basis relative to January 31st 2022. As at the reporting date, 99% of cash was held in hand or in bank accounts.

(all amounts in PLN million unless stated otherwise)

EQUITY AND FINANCING LIABILITIES

As at the reporting date, equity amounted to PLN 930.7m, having decreased by PLN 220.9m (19.2%). The decrease in equity was mainly due to a net loss on operations of PLN 214.2m posted for the reporting period.

As at the reporting date, non-current liabilities amounted to PLN 2,648.7m And comprised mainly bank borrowings and bonds (PLN 1,230.5m) and lease liabilities (PLN 1,275.6m). Non-current liabilities were PLN 761.5m (22.3%) lower on the end of the comparative period, partly due to a PLN 684.1m decrease in bank borrowings and bonds following their reclassification to current liabilities.

As at the reporting date, current liabilities amounted to PLN 4,005.1m And included bank borrowings and bonds (PLN 1,335.1m), payables towards suppliers (PLN 1,642.4m), lease liabilities (PLN 471.4m), and other liabilities (PLN 512.2m). Current liabilities increased by PLN 1,066.2m (36.3%) compared with the previous reporting period, mainly as an consequence of higher liabilities under bank borrowings and bonds (PLN 790.1m) and trade payables (PLN 162.3m). Financing liabilities are discussed in the section 'Management of financial resources and liquidity'.

20.3. CONSOLIDATED STATEMENT OF CASH FLOWS (REVIEW OF THE MAIN ITEMS)

	February 1st–July 31st 2022	February 1st–July 31st 2021	Change (%)
	unaudited, reviewed	unaudited, reviewed, restated*	
Profit (loss) before tax from continuing operations	**-211.8**	**-87.7**	**>100%**
Adjustments	479.1	304.2	57.5%
Income tax paid	-59.9	-69.8	-14.2%
Cash flow before changes in working capital	**169.2**	**170.8**	**-0.9%**
Changes in working capital	36.5	-227.1	<-100%
Cash flows from operating activities	**205.7**	**-56.3**	**<-100%**
Cash flows from investing activities	**-199.0**	**-66.4**	**>100%**
Cash flows from financing activities, including:	**-237.7**	**456.2**	**<-100%**
Proceeds from borrowings	67.4	919.8	−92.7%
Repayment of borrowings	-28.3	-878.9	−96.8%
Lease payments	-217.2	-172.7	25.8%
Acquisition of eobuwie.pl shares from MKK3	–	-360.0	−100.0%
Advance payment from A&R Investments Limited and payment from Cyfrowy Polsat for the sale of eobuwie.pl shares	–	1,000.0	−100.0%
Total cash flows	**-231.0**	**333.5**	**<-100%**

20.4. INDICATORS

Profitability ratios	February 1st–July 31st 2022	May 1st–July 31st 2022	change [% yoy]	change [% qoq]
Gross margin	48.2%	47.5%	2.7%	0.3%
Operating profit/(loss) margin	-0.6%	1.3%	0.1%	-2.5%
Net profit/(loss) margin	-6.0%	-2.2%	-4.2%	−7.5%

Gross margin is calculated as the ratio of gross profit to revenue.
Operating profit/(loss) margin is calculated as the ratio of operating profit/(loss) to revenue.
Net profit/(loss) margin is calculated as the ratio of net profit/(loss) to revenue.

Liquidity ratios	July 31st 2022	January 31st 2022	change [yoy]	change [qoq]
Current ratio	1.0	1.4	-0.1	0.5
Quick ratio	0.3	0.5	-0.1	0.2
Inventory cycle (days)	232.9	218.2	-1.8	-24.9
Average collection period (days)	8.8	11.9	-0.8	-0.1
Average payment period (days)	127.8	112.7	-4.7	-27.7

The current ratio is calculated as the ratio of current assets to the carrying amount of current liabilities.

(all amounts in PLN million unless stated otherwise)

The quick ratio is calculated as the ratio of current assets less inventory to the carrying amount of current liabilities.
The inventory cycle in days is calculated as the ratio of the average inventory value for the last two quarters to cost of sales, multiplied by the number of days in the period.
The average collection period in days is calculated as the ratio of the average amount of receivables from customers for the last two quarters to revenue, multiplied by the number of days in the period.
The average payment period in days is calculated as the ratio of the average amount of trade and other payables for the last two quarters to cost of sales, multiplied by the number of days in the period.

Operating efficiency ratios	July 31st 2022	January 31st 2022	change [% yoy]	change [% qoq]
Equity to non-current assets ratio	27.1%	33.9%	3.9%	24.8%
Debt ratio	33.8%	32.8%	9.4%	7.7%
Short-term debt ratio	17.6%	7.3%	13.8%	−10.7%
Long-term debt ratio	16.2%	25.5%	-4.4%	18.4%

Equity to non-current assets ratio is calculated by dividing equity by non-current assets.
Debt ratio is calculated by dividing debt under long-term and short-term borrowings and bonds by total assets.
Short-term debt ratio is calculated by dividing short-term debt under borrowings and bonds by total assets.
Long-term debt ratio is calculated by dividing long-term debt under borrowings and bonds by total assets.

PROFIT GUIDANCE

No financial forecasts have been published.

21. MANAGEMENT OF FINANCIAL RESOURCES AND LIQUIDITY

Debt and liquidity of the CCC group
The CCC Group finances its operations using equity and external capital, including bank and non-bank borrowings as well as bonds.

21.1. BANK BORROWINGS AND BONDS

As at the reporting date, the Group had financing liabilities of PLN 2,565.6m, consisting of bank borrowings and bonds.

The short-term portion of financing liabilities as at the reporting date comprised debt under bank borrowings and bonds of PLN 1,335.1m.

BANK	COMPANY	INSTRUMENT	TYPE	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	UTILISATION [MILLION]*	CURRENCY
Credit facility agreements								
PKO BP	CCC.eu sp. z o.o	Long-term credit facility	Tranche A	June 2nd 2021	June 30th 2025	92.5	92.5	PLN
		including short-term portion				10.9	10.9	PLN
Millennium	CCC.eu sp. z o.o	Long-term credit facility	Tranche A	June 2nd 2021	June 30th 2025	28.4	28.4	PLN
		including short-term portion				3.4	3.4	PLN
BNP Paribas	CCC.eu sp. z o.o	Long-term credit facility	Tranche A	June 2nd 2021	June 30th 2025	29.8	29.8	PLN
		including short-term portion				3.5	3.5	PLN
Santander	CCC.eu sp. z o.o	Long-term credit facility	Tranche A	June 2nd 2021	June 30th 2025	71.7	71.7	PLN
		including short-term portion				8.5	8.5	PLN

(all amounts in PLN million unless stated otherwise)

Bank Handlowy	CCC.eu sp. z o.o	Long-term credit facility	Tranche A	June 2nd 2021	June 30th 2025	53.0	53.0	PLN
		including short-term portion				6.3	6.3	PLN
mBank	CCC.eu sp. z o.o	Long-term credit facility	Tranche A	June 2nd 2021	June 30th 2025	38.8	38.8	PLN
		including short-term portion				4.6	4.6	PLN
Pekao S.A.	CCC.eu sp. z o.o	Long-term credit facility	Tranche A	June 2nd 2021	June 30th 2025	57.4	57.4	PLN
		including short-term portion				6.8	6.8	PLN
PKO BP	CCC.eu sp. z o.o	Long-term credit facility	Tranche B	November 21st 2019	June 30th 2024	116.7	116.7	PLN
Pekao S.A.	CCC.eu sp. z o.o	Long-term credit facility	Tranche B	October 14th 2014	April 30th 2024	65.2	65.2	PLN
mBank	CCC.eu sp. z o.o	Long-term credit facility	Tranche B	December 17th 2018	June 30th 2024	10.3	9.6	PLN
mBank	CCC.eu sp. z o.o	Long-term credit facility	Tranche B	June 2nd 2021	June 30th 2024	13.0	13.0	PLN
Bank Handlowy	CCC.eu sp. z o.o	Long-term credit facility	Tranche B	March 3rd 2009	June 30th 2024	36.6	36.6	PLN
Bank Handlowy	CCC.eu sp. z o.o	Long-term credit facility	Tranche B	March 3rd 2009	June 30th 2024	36.6	36.6	PLN
Santander	CCC.eu sp. z o.o	Long-term credit facility	Tranche B	June 2nd 2021	June 30th 2024	37.3	37.3	PLN
BNP Paribas	CCC.eu sp. z o.o	Long-term credit facility	Tranche B	June 2nd 2021	June 30th 2024	19.3	19.3	PLN
mBank	CCC.eu sp. z o.o	Short-term credit facility	BGK	June 14th 2021	March 3rd 2023	46.0	46.0	PLN
Pekao S.A.	CCC.eu sp. z o.o	Short-term credit facility	BGK	March 31st 2021	March 9th 2023	92.2	92.2	PLN
Bank Handlowy	CCC.eu sp. z o.o	Short-term credit facility	BGK	June 17th 2021	May 31st 2023	79.1	79.1	PLN
mBank	CCC Factory Sp. z o.o.	Short-term credit facility	BGK	June 14th 2021	March 3rd 2023	3.5	3.5	PLN
Bank Handlowy	CCC Factory Sp. z o.o.	Short-term credit facility	BGK	June 17th 2021	May 31st 2023	5.9	5.8	PLN
BNP Paribas	CCC Factory Sp. z o.o.	Short-term credit facility	BGK	March 31st 2021	March 31st 2023	23.2	23.0	PLN
Pekao S.A.	CCC Factory Sp. z o.o.	Short-term credit facility	BGK	March 31st 2021	March 9th 2023	6.9	6.9	PLN
Pekao S.A.	CCC S.A.	Short-term credit facility	BGK	November 5th 2020	October 30th 2022	41.0	41.0	PLN
PKO BP	CCC S.A.	Short-term credit facility	BGK	November 5th 2020	October 30th 2022	60.0	60.0	PLN
Bank Handlowy	CCC S.A.	Short-term credit facility	BGK	November 5th 2020	October 30th 2022	31.0	31.0	PLN
BNP Paribas	CCC S.A.	Short-term credit facility	BGK	November 5th 2020	October 30th 2022	13.0	13.0	PLN
Santander	CCC S.A.	Short-term credit facility	BGK	November 5th 2020	October 30th 2022	50.0	50.0	PLN
Millennium	CCC S.A.	Short-term credit facility	BGK	November 5th 2020	October 30th 2022	16.0	16.0	PLN
mBank	CCC S.A.	Short-term credit facility	BGK	November 5th 2020	October 30th 2022	39.0	39.0	PLN
PKO BP	Modivo S.A.	Short-term credit facility	-	June 2nd 2021	November 21st 2022	25.8	4.5	PLN
Pekao S.A.	Modivo S.A.	Short-term credit facility	-	October 26th 2017	April 30th 2022	144.1	117.0	PLN
PKO BP	Modivo S.A.	Short-term credit facility	-	June 2nd 2021	November 21st 2022	90.4	90.4	PLN
Total credit facility agreements, PLN						**1,473.5**	**1,424.0**	**PLN**
Total short-term agreements, PLN						**811.0**	**762.3**	**PLN**
Total long-term agreements, PLN						**662.5**	**661.7**	**PLN**

(all amounts in PLN million unless stated otherwise)

BANK	COMPANY	INSTRUMENT	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	UTILISATION [MILLION]*	CURRENCY
Bonds							
Series 1/2018 bonds	CCC S.A.	Bonds	June 29th 2018	June 29th 2026	210.0	210.0	PLN
Softbank	Modivo S.A.	Bonds	September 1st 2021	August 23rd 2024**	500.0	500.0	PLN
PFR FI FIZAN	CCC Shoes&Bags Sp. z o.o.	Bonds	September 22nd 2021	September 22nd 2028	375.6	375.6	PLN
Total Bonds					**1,085.6**	**1,085.6**	**PLN**

** In connection with the planned settlement, the liability is presented as short-term.

BANK	COMPANY	INSTRUMENT	TYPE	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	UTILISATION [MILLION]*	CURRENCY
Guarantee facility								
PKO BP	CCC S.A.	Bank guarantee facility	Tranche B	November 21st 2019	June 30th 2024	29.0	24.4	PLN
mBank	CCC S.A.	Bank guarantee facility	Tranche B	November 4th 2012	June 30th 2024	21.0	12.0	PLN
Santander	CCC S.A.	Bank guarantee facility	Tranche B	March 31st 2009	June 30th 2024	41.0	32.8	PLN
BNP Paribas	CCC S.A.	Bank guarantee facility	Tranche B	May 4th 2011	June 30th 2024	17.0	14.3	PLN
Pekao S.A.	Modivo S.A.	Bank guarantee facility	-	October 26th 2017	April 30th 2021	115.9	115.9	PLN
PKO BP	Modivo S.A.	Bank guarantee facility	-	June 2nd 2021	November 21st 2022	32.6	32.6	PLN
Ceska sporitelna	CCC Czech	Bank guarantee facility	-	April 6th 2020	July 31st 2023	76.0	73.9	CZK
Ceska sporitelna	CCC Slovakia	Bank guarantee facility	-	April 6th 2020	July 31st 2023	44.0	41.5	CZK
Raiffeisen	CCC Hungary	Bank guarantee facility	-	June 25th 2014	December 31st 2022	3.0	1.5	EUR
Total guarantee facility, PLN						**256.5**	**232.0**	**PLN**
Total guarantee facility, CZK						**120.0**	**115.4**	**CZK**
Total guarantee facility, EUR						**3.0**	**1.5**	**EUR**

* The data presented in the table relates to amounts utilised in cash, not consistent with the carrying amount of the liability as a result of its measurement at amortised cost and the recognition of embedded derivative financial instruments.

21.2. BONDS

In June 2014, the Company carried out the first issue of CCC S.A. Series 1/2014 Bonds, under the Bond Issuance Program up to PLN 500m. The bonds are denominated in the Polish zloty and were issued as coupon bearer securities in book-entry form. mBank S.A. was the issue agent.

In June 2018, the Company carried out the second issue of CCC S.A. Series 1/2018 Bonds, combined with early redemption of Series 1/2014 Bonds. Both series were issued with the following terms:

1. Nominal value: PLN 1,000.00 per bond;
2. Issue price: equal to the nominal value;
3. Number of Bonds: 210,000 in series 1/2014 and 210,000 in series 1/2018;
4. Total nominal value of the bonds – PLN 210m in series 1/2014 and PLN 210m in series 1/2018;
5. Redemption: one-off, at nominal value on June 10th 2019 for series 1/2014 and on June 29th 2021 for series 1/2018;
6. Interest rate of coupon bonds: variable, 6M WIBOR plus fixed margin, payable on a six-monthly basis;
7. Listing in the alternative trading system on Catalyst – series 1/2014 bonds as of October 16th 2014.
8. Series 1/2014 bonds were registered with the Central Securities Depository of Poland on July 20th 2018.

Following the issue of 210000 Series 1/2018 Bonds and the redemption of 210000 Series 1/2014 Bonds, 210000 Series 1/2018 Bonds are outstanding.

Under Resolution No. 4 of May 17th 2021 passed by the Bondholders' Meeting of the holders of Series 1/2018 Bonds, issued on June 29th 2018 pursuant to the Terms and Conditions of the Bonds of June 21st 2018, the terms and conditions of the Bonds were amended, in particular the Bonds redemption date was changed from June 29th 2021 to June 29th 2026.

Financial ratios reviewed at the CCC Business Unit after the reporting date

On October 24th 2022, pursuant to Resolution No. 6 of October 24th 2022, the Bondholders' Meeting of the holders of Series 1/2018 Bonds issued on June 29th 2018 passed a resolution to amend the Terms and Conditions of the Bonds of June 21st 2018. The amendments concerned in particular the financial ratios, which were changed by aligning them with the ratios agreed in the term sheet of October 19th 2022 amending the Credit Facility Agreement of June 2nd 2021 and in the term sheet of October 12th 2022 extending the duration of the Common Terms Agreement.

The amendments made to Terms and Conditions of the Bonds concerned the levels and review dates of the following ratios:

- EBITDA (calculated for the CCC Business Unit)
- Net Exposure/EBITDA (calculated for the CCC Business Unit).

Also the level and definition of DSCR were changed:

- DSCR (calculated for the CCC Business Unit)
- DSCR with cash (calculated for the CCC Business Unit).

21.3. COVENANTS/FINANCIAL RATIOS

The CCC Group

Financing in the CCC Group is provided at the level of two business units, which are separately responsible for their liabilities:

- The CCC Business Unit (the CCC Group excluding the Modivo Business Unit) and, separately,
- the Modivo Business Unit (Modivo S.A. and all its subsidiaries).

In line with the rules set forth in the Credit Facility Agreement dated June 2nd 2021 and the Terms and Conditions of 1/2018 Bonds, the financial ratios of the CCC Business Unit are measured based on the Financial Information prepared following deconsolidation of the Modivo Business Unit from the Group's results. Financial ratios for the Modivo Business Unit are subject to separate regulations, in accordance with the definitions set forth in the credit facility agreements made with individual banks.
In order to prepare the CCC Business Unit's results, the Group's consolidated data undergoes agreed procedures designed to separate the financial results of the CCC Business Unit from those of the Modivo Business Unit (deconsolidation of the Modivo Business Unit from the Group's results). The results of the Modivo Business Unit are deconsolidated taking into account the following adjustments or eliminations:
(a) recognition of Modivo S.A. shares at historical amount (PLN 2,699,640,000.00 with respect to the equity interest held by CCC)
(b) recognition of balances and turnovers of the CCC Business Unit entities vis-à-vis the Modivo Business Unit entities.
The explanation of financial ratio calculations presented below is a simplified overview of the provisions of the credit facility agreements and the terms and conditions of the bonds (the Terms and Conditions). The purpose of the explanation is to present information on the methodology applied in the financing agreements to calculate the Group's financial ratios.

(all amounts in PLN million unless stated otherwise)

		The CCC Group		
		Modivo Business Unit	SEPARATE FINANCING	**CCC Business Unit**
Financial debt (PLNm), as at July 31st 2022 (based on the Business Unit's balance sheet)	Debt	**PLN 777.7m, including:** • PLN 564.1m convertible bonds for Softbank • PLN 213.6m bank loans		**PLN 1,787.9m, including:** • PLN 1,214.9m bank loans • PLN 212.2m 1/2018 bonds • PLN 358.3m PFR bonds (including deferred interest) • PLN 2.5m adjusted purchase price
	Cash	**PLN 325m**		**PLN 385.1m**
	Net debt	**PLN 452.7m**		**PLN 1,402.8m**
Debt ratio according to financing agreements (PLNm), as at July 31st 2022	Gross Financial Debt**	**PLN 1,025m, including:** • PLN 564m convertible bonds for Softbank • PLN 213.6m bank loans • PLN 247.4m reverse factoring		**PLN 1,421.6m, including:** • PLN 1,212.1m bank loans • PLN 210m 1/2018 bonds • PLN -0.5m marking of derivative transactions to market
	Net Financial Debt**	**PLN 700m** includes Softbank bonds		**PLN 1,036.5m**
	Net exposure **	• **Not applicable**		**PLN 1,414.9m, including:** • PLN 1,036.5m Net Financial Debt • PLN 112.6 bank guarantee facilities • PLN 265.8m reverse factoring***
Financial ratios (banks and bondholders)	Ratios	**Ratio review at the Modivo Business Unit level:** **As of July 31st 2022/January 31st 2023:** $\frac{Gross\ Financial\ Debt/Cash}{\text{EBITDA (excluding IFRS 16)}}$<3.5x		**Ratio review at the CCC Business Unit level:** **As at July 31st 2022** $EBITDA\ (excluding\ IFRS\ 16)$ >PLN 30m **As at October 31st 2022** $EBITDA\ (excluding\ IFRS\ 16)$ >PLN 45m***** **As at January 31st 2023** $a)\ \frac{Net\ Exposure}{\text{EBITDA (excluding IFRS 16)}}$<12.7x b) *DSCR* >1.0x *or DSCR with cash* >of 1.5x c) $Capitalexpenditure$ <PLN 240.2m
	Definitions according to financing agreements **(there may be differences in definitions relative to the ratios reported in the Financial Statements)**	**Financial Debt** – interest-bearing debt (including reverse factoring) **Net Financial Debt** – Financial Debt less cash **EBITDA** of the Modivo Business Unit, i.e., operating profit plus depreciation and amortisation (excluding amounts resulting from the implementation of IFRS 16) plus costs related to the incentive scheme;		**Financial Debt** – interest-bearing debt (excluding reverse factoring) – see more in the Financial Ratios section **Net Financial Debt** – Financial Debt less cash **Net Exposure** – Net Financial Debt plus reverse factoring and guarantees **EBITDA** of the CCC Business Unit, i.e., operating profit from continuing operations plus depreciation and amortisation; including numerous non-cash adjustments (excluding amounts resulting from the implementation of IFRS 16)

* The amount does not include an embedded derivative presented in the balance sheet as other financial liabilities (PLN 8.8m).
** Definitions according to the financing agreements, as described in the last part of this table.
*** Presented in the statement of financial position as a trade payable.
**** In accordance with the information presented in section *Financial ratios reviewed at the CCC Group after the reporting date*, the ratio has been changed.
***** As at July 31st 2022, the required amount was PLN 200m. As part of negotiations with the institutions financing the CCC Group's operations, as described below, the required amount was reduced to PLN 45m.

Compliance with financial ratio/indicator requirements as at the reporting date

CCC Business Unit's ratios reviewed as at the reporting date
As at July 31st 2022, in the Management Board's opinion, during the reporting period and until the date of authorisation of this Report for issue, none of the financial ratios/indicators were breached.

Under the refinancing agreements of June 2nd 2021 and the ordinary bonds issue agreement (ISIN:PLCCC0000081) of May 17th 2021, the CCC Business Unit is obliged, among others, to test the following ratio:

- **CCC Business Unit's EBITDA** not less than PLN 30.0m as at July 31st 2022 – the EBITDA amount will be published online in the Certificate of Compliance for Bondholders within one month from the issue of these financial statements for the relevant calculation period

Modivo Business Unit's ratios reviewed as at the reporting date
The Modivo Business Unit includes Modivo S.A. along with all of its subsidiaries. As at July 31st 2022, in the Management Board's opinion, during the reporting period and until the date of authorisation of this Report for issue, none of the financial ratios/indicators were breached.

In accordance with the credit facility and factoring agreements in force, the Modivo Business Unit is obliged to test, among others:

- The **Net Financial Debt/EBITDA** ratio calculated for the Modivo Business Unit at no more than 3.5 – the ratio as at July 31st 2022 was 3.37 (the calculation does not include the measurement of a derivative instrument)

Financial ratios reviewed at the CCC Group after the reporting date

On October 12th 2022, the Company agreed on a term sheet amending the Common Terms Agreement of November 5th 2020 and on October 19th 2022 – a term sheet amending the credit facility agreement of June 2nd 2021. In the term sheets, the financing institutions agreed to change the financial ratios subject to testing. The purpose of the amendments is to change the ratios so as to account for the results recorded under the current economic conditions, which are marked by growing inflation, market and exchange rate volatility, consequences of COVID-19, and the ongoing war in Ukraine.

The execution of the Extension Agreement for the Common Terms Agreement and the annex to the Credit Facility Agreement of June 2nd 2021, under which changes to the financial ratios will be made, requires the consent of the credit committees, which will be given by October 31st 2022 at the latest.

Under the terms and conditions agreed with the financing institutions and bondholders, the levels and review dates of the following ratios were changed:

- EBITDA (calculated for the CCC Business Unit),
- Net Exposure/EBITDA (calculated for the CCC Business Unit).

Also the level and definition of DSCR were changed:

- DSCR (calculated for the CCC Business Unit),
- DSCR with cash (calculated for the CCC Business Unit).

Changed financial ratios

Please not that in accordance with the financing agreements, formal confirmation of the fulfilment of the financing terms is to be made within specified time limits after the date of issue of the Group's consolidated financial statements.

a) EBITDA of the CCC Business Unit

(all amounts in PLN million unless stated otherwise)

EBITDA calculated for the CCC Business Unit (i.e., the CCC Group excluding the Modivo Business Unit) cumulatively for a period of 12 months, not less than:

Calculation Period	EBITDA for the CCC Business Unit
October 31st 2022	PLN 45m
January 31st 2023	PLN 100m
April 30th 2023	PLN 125m
July 31st 2023	PLN 150m
October 31st 2023	PLN 200m

EBITDA (cumulative for 12 months) excluding IFRS 16, i.e., operating profit from continuing operations plus depreciation and amortisation; taking into account numerous adjustments, such as the result of measurement of assets and liabilities other than derivative instruments (including the effects of asset impairment recognition and reversal); decreased by the gain or increased by the loss on the sale of fixed assets; decreased (excluding) by amounts arising from lease contracts (for, e.g., premises) that would have been operating leases prior to the implementation of IFRS 16; increased by dividends received (from non-consolidated entities); decreased by gain from a bargain purchase of a business unit; increased by operating profit or decreased by operating loss on discontinued operations.

(b) Capital expenditure of the CCC Business Unit

Capital expenditure calculated for the CCC Business Unit for the first time as at January 31st 2022 not higher than PLN 240.2m. As at January 31st 2022, capital expenditure of the CCC Business Unit amounted to PLN 185.8m (unused amount of PLN 69.2m available for use in the following year).

Capital expenditure calculated for the CCC Business Unit as at January 31st 2023 not higher than PLN 240.2m, that is PLN 171.0m plus PLN 69.2 not used in the previous year.

Capital Expenditure calculated as the sum of (i) expenditure to acquire property, plant and equipment, intangible assets and other non-current assets, (ii) expenditure to acquire equity or debt instruments of another entity and interests in joint ventures, (iii) the value of assets acquired under finance leases (iv) less fit-out costs (maximum fit-out costs as of January 31st 2023: PLN 31m) (v) less investment subsidies received in the form of non-repayable public grants or subsidies for the purchase of assets (vi) less the amount paid under the packages defined in the bank agreement as Permitted Purchase

(c) Net Exposure/EBITDA of the CCC Business Unit

Net Exposure/EBITDA calculated for the CCC Business Unit for the first time as at January 31st 2023 not higher than 12.7x. In subsequent periods, the ratio should not exceed the following levels for a given calculation period:

Calculation Period	Net Exposure/EBITDA
January 31st 2023	12.7x
April 30th 2023	8.5x
July 31st 2023	7.3x
October 31st 2023	3.9x
January 31st 2024	3.5x
April 30th 2024	3.8x
July 31st 2024	3.5x
October 31st 2024	3.0x
next Quarter End Date	as above

Gross Financial Debt means the total amount of liabilities of the CCC Business Unit entities (the Group excluding the Modivo Business Unit) under the following: loans, credit facilities, bond is issue, promissory notes, finance leases (excluding leases recognised in accordance with IFRS 16, which would have been classified as operating leases under

IAS 17), factoring (excluding reverse factoring/confirming), marking of derivative transactions to market, other debt recognised in the accounts as financial debt under IAS. Gross Financial Debt does not include PFR bond financing.

Net Financial Debt means Gross Financial Debt less cash and cash equivalents.

Net Financial Exposure means net Financial Debt under reverse factoring and confirming, as well as letters of credit and guarantees.

(d) DSCR of the CCC Business Unit
DSCR calculated for the CCC Business Unit as of January 31st 2023 and July 31st 2023 not lower than 1.0x and in subsequent six-month periods ending on January 31st and July 31st – not less than 1.2x.

DSCR with Cash calculated for the CCC Business Unit as at January 31st 2023 and July 31st 2023 not lower than 1.5x. In these two periods, i.e., January 31st 2023 and July 31st 2023, a default occurs only when the required levels of both DSCR and DSCR with Cash are not achieved.

DSCR – the ratio of Cash Flows Available for Debt Service (EBITDA adjusted for numerous items, including decreased by income tax, increased by write-offs of accounts receivable and inventory, decreased by Capital Expenditure (excluding the portion financed by Permitted Financial Debt explicitly allocated for this purpose) to Debt Service

DSCR with Cash calculated in the same manner as DSCR, but with Cash Flows Available for Debt Service increased by cash at the beginning of the period.

(e) Net Financial Debt/EBITDA of the Modivo Business Unit
Net Financial Debt/EBITDA calculated for the Modivo Business Unit not higher than 3.5x – ratio as at July 31st 2022 and January 31st 2023.

21.4. FINANCIAL INSTRUMENTS

As at the reporting date, the Issuer used forward instruments to hedge against currency risk arising from an open exposure denominated in USD. Moreover, the CCC Group holds derivative instruments embedded in the bonds issued to PFR (Equity Kicker) and a derivative financial instrument embedded in bonds convertible into Modivo shares − voluntary conversion option For a detailed description of the financial instruments used, see Note 6.1 to the financial statements.

21.5. ISSUE OF SECURITIES AND USE OF PROCEEDS

No securities were issued in the six months ended July 31st 2022.

On June 20th 2022, the Bondholders Meeting resolved to amend "Terms and Conditions of the Bonds recorded in the Bond Register with the possibility of transfer to the CSDP depository, prepared in Polkowice on June 21st 2018" (the "Terms and Conditions"), concerning the issue of Series 1/2018 Bonds (the "Bonds").

The Terms and Conditions were amended by:

- Adding Obuv Sp. z o.o. to the list of Excluded Companies,
- Changing Section 14.2(o) of the Terms and Conditions.

(all amounts in PLN million unless stated otherwise)

On June 20th 2022, the Issuer agreed to amend the Terms and Conditions.
For details, see Current Report No. 18/2022: https://corporate.ccc.eu/raport-biezacy-nr-18-2022.

21.6. FEASIBILITY OF INVESTMENT PLANS

The Group intends to finance investment projects with its own funds and with external capital. Subject to the limitations set out in the refinancing agreement, the Management Board believes that there are currently no major threats which could adversely affect delivery of the investment plans in the future.

21.7. AGREEMENTS EXECUTED BY COMPANIES OF THE CCC GROUP

LOANS

LENDER	BORROWER	AGREEMENT DATE	MATURITY DATE	LIMIT [MILLION]	CURRENCY	INTEREST RATE
CCC S.A.	CCC Shoes Bulgaria EOOD	December 4th 2014	January 31st 2023	4.0	BGN	6.00%
CCC S.A.	CCC.eu Sp. z o.o.	December 17th 2014	June 1st 2026	9.3	USD	2.00%
CCC S.A.	CCC Shoes&Bags d.o.o. Beograde	September 22nd 2016	January 31st 2023	0.1	EUR	4.00%
		November 18th 2016	January 31st 2023	0.1	EUR	
		December 9th 2016	January 31st 2023	0.1	EUR	
CCC S.A.	HR Group Holding s.a.r.l.	January 31st 2019	December 31st 2029	41.5	EUR	8.00%
CCC S.A.	CCC Obutev d.o.o	February 18th 2019	February 28th 2022	0.8	EUR	EUR 3M + 3.00%
		April 21st 2020	April 30th 2022	0.3	EUR	EUR 3M + 3.00%
CCC S.A.	HR Group GmbH & Co. KG	February 17th 2020	March 31st 2023	6.2	EUR	3.00%
CCC S.A.	CCC.eu Sp. z o.o.	June 22nd 2021	June 1st 2026	1,000.0	PLN	4.00%
CCC S.A.	HalfPrice Sp. z o.o.	June 22nd 2021	June 1st 2026	200.0	PLN	4.00%
CCC S.A.	DeeZee Sp. z o.o.	August 17th 2021	July 26th 2026	11.0	PLN	4.00%
CCC S.A.	CCC Estonia OÜ	May 9th 2022	May 10th 2023	0.3	EUR	3.00%
CCC S.A.	UAB CCC Lithuania	May 10th 2022	May 10th 2023	0.2	EUR	2.00%
CCC S.A.	CCC Shoes Latvia SIA	May 19th 2022	May 19th 2023	0.5	EUR	3.00%

LENDER	BORROWER	AGREEMENT DATE	MATURITY DATE	LIMIT [MILLION]	CURRENCY	INTEREST RATE
CCC Shoes&Bags Sp. z o.o.	Shoe Express S.A.	April 25th 2018	April 25th 2023	30.0	EUR	3.00%
CCC Shoes&Bags Sp. z o.o.	CCC.eu Sp. z o.o.	February 22nd 2022	February 28th 2023	10.0	PLN	3M WIBOR + 4.00%

LENDER	BORROWER	AGREEMENT DATE	MATURITY DATE	LIMIT [MILLION]	CURRENCY	INTEREST RATE
CCC.eu Sp. z o.o.	CCC GERMANY GmbH (agreement)	April 11th 2018	April 30th 2023	18.5	EUR	2.00%
CCC.eu Sp. z o.o.	CCC Shoes&Bags Sp. z o.o.	April 24th 2018	January 31st 2029	20.0	EUR	2.00%
CCC.eu Sp. z o.o.	CCC S.A.	June 22nd 2021	June 1st 2026	47.2	PLN	4.00%

(all amounts in PLN million unless stated otherwise)

LENDER	BORROWER	AGREEMENT DATE	MATURITY DATE	LIMIT [MILLION]	CURRENCY	INTEREST RATE
MODIVO S.A.	EOBUWIE.PL LOGISTICS Sp. z o.o.	October 15th 2015	September 30th 2026	50.0	PLN	3M WIBOR +0.55%
MODIVO S.A.	Branded Shoes&Bags Sp. z o.o.	September 11th 2019	December 31st 2029	2.0	PLN	3M WIBOR +0.55%
MODIVO S.A.	LFT BEEHER B.V.	July 23rd 2020	July 23rd 2023	-	EUR	3.00%
MODIVO S.A.	eobuv.cz s.r.o.	April 12th 2021	December 31st 2031	4.5	PLN	3M WIBOR +0.55%
MODIVO S.A.	EPANTOFI MODIVO S.R.L.	September 3rd 2021	December 31st 2031	15.0	PLN	3M WIBOR +0.55%
MODIVO S.A.	Modivo SRL	April 4th 2022	December 31st 2027	0.2	EUR	EUR 3M + 0.55%
Gino Rossi S.A.	CCC S.A.	August 3rd 2021	January 31st 2023	20.0	PLN	3.00%
CCC Factory Sp. z o.o.	CCC.eu Sp. z o.o.	December 17th 2021	June 1st 2026	100.0	PLN	4.00%
CCC Austria Ges.m.b.H.	CCC S.A.	April 26th 2022	April 28th 2023	2.5	EUR	3.00%

GUARANTEES PROVIDED AS SUPPORT OF COMMERCIAL SPACE LEASE CONTRACT

Bank guarantees under CCC S.A.'s guarantee facilities

COMPANY	NUMBER OF GUARANTEES	DEBTOR	AMOUNT OF GUARANTEE [MILLION]	CURRENCY
CCC S.A.	1	CCC Austria	0.6	EUR
CCC S.A.	12	CCC Hrvatska	0.5	EUR
CCC S.A.	6	CCC Slovenia	0.5	EUR
CCC S.A.	56	Shoe Express	1.9	EUR
CCC S.A.	1	Shoe Express	0.1	RON
CCC S.A.	7	CCC Bulgaria	0.2	EUR
CCC S.A.	12	OBUV OOO*	16.9	RUB
CCC S.A.	2	OBUV OOO*	0.1	USD
CCC S.A.	2	CCC Ukraine	0.1	EUR
CCC S.A.	7	CCC Ukraine	0.1	USD
CCC S.A.	1	DEEZEE	0.1	PLN
CCC S.A.	1	DEEZEE	0.1	EUR
CCC S.A.	15	MODIVO	1.0	EUR
CCC S.A.	2	MODIVO	0.7	PLN
CCC S.A.	5	OFP Austria	0.8	EUR
CCC S.A.	12	HalfPrice	1.5	EUR
CCC S.A.	1	HalfPrice	0.2	PLN
CCC S.A.	22	CCC.EU	1.8	EUR
CCC S.A.	2	CCC.EU	0.3	USD
CCC S.A.	2	CCC.EU	0.5	PLN

* Guarantees provided to OBUV OOO (formerly CCC Russia) expired in the third quarter of 2022.

Bank guarantees under guarantee facilities of other CCC Group companies:

COMPANY	NUMBER OF GUARANTEES	DEBTOR	AMOUNT OF GUARANTEE [MILLION]	CURRENCY
CCC Czech s.r.o.	33	CCC Czech s.r.o.	41.4	CZK
CCC Czech s.r.o.	19	CCC Czech s.r.o.	1.3	EUR
CCC Slovakia s.r.o.	36	CCC Slovakia s.r.o.	1.7	EUR
CCC Hungary Kft.	12	CCC Hungary Kft.	1.5	EUR
MODIVO S.A.	47	MODIVO S.A.	26.7	EUR
MODIVO S.A.	7	MODIVO S.A.	12.5	PLN
MODIVO S.A.	1	MODIVO S.A.	-	USD

(all amounts in PLN million unless stated otherwise)

Sureties provided by CCC S.A. for store leases by subsidiaries:

COMPANY	NUMBER OF SURETIES	DEBTOR	AMOUNT OF SURETY [MILLION]	CURRENCY
CCC S.A.	26	CCC Czech s.r.o.	26.0	CZK
CCC S.A.	15	CCC Czech s.r.o.	0.6	EUR
CCC S.A.	6	CCC Germany	0.4	EUR
CCC S.A.	10	CCC Hrvatska	0.4	EUR
CCC S.A.	63	CCC Hungary	2.6	EUR
CCC S.A.	16	CCC Hungary	174.6	HUF
CCC S.A.	12	CCC Obutev	0.5	EUR
CCC S.A.	25	CCC Slovakia	1.3	EUR
CCC S.A.	8	OFP sp. z o.o.	0.7	EUR
CCC S.A.	27	OFP sp. z o.o.	24.2	PLN
CCC S.A.	36	Shoe Express	0.9	EUR
CCC S.A.	1	Shoe Express	0.1	RON
CCC S.A.	3	CCC Estonia OU	0.1	EUR
CCC S.A.	3	CCC Shoes Latvia SIA	0.1	EUR
CCC S.A.	2	UAB CCC Lithuania	0.1	EUR

OTHER SURETIES AND GUARANTEES
Intragroup provided to Polish subsidiaries:

COMPANY	BANK	DEBTOR	TYPE OF SECURITY	PERIOD OF VALIDITY		AMOUNT OF SURETY OR GUARANTEE [MILLION]	CURRENCY
				START DATE	END DATE		
CCC S.A. (Surety granted jointly with CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o.)	Millenium	CCC.eu Sp. z o.o.	Aval for reverse factoring agreement secured by BGK guarantee	March 9th 2021	-	51.9	PLN
CCC S.A. (Surety granted jointly with CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o.)	Millenium	CCC.eu Sp. z o.o.	Aval for reverse factoring agreement secured by BGK guarantee	March 9th 2021	February 27th 2026	103.8	PLN
CCC S.A. (Surety granted jointly with CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o.)	Pekao S.A.	CCC.eu Sp. z o.o.	Surety for multi-purpose credit facility agreement	June 16th 2021	-	110.6	PLN
CCC S.A. (Surety granted jointly with CCC Shoes&Bags Sp. z o.o. and CCC Factory Sp. z o.o.)	Bank Handlowy	CCC.eu Sp. z o.o.	Aval for card agreement	December 8th 2016	3 years from debt due date	0.6	PLN
CCC S.A. (Surety granted jointly with CCC Shoes&Bags Sp. z o.o. and CCC Factory Sp. z o.o.)	Bank Handlowy	CCC.eu Sp. z o.o.	Surety for revolving credit facility agreement secured by BGK guarantee	June 17th 2021	-	94.9	PLN
CCC S.A. (Surety granted jointly with CCC Factory Sp. z o.o. and Gino Rossi S.A.)	Santander Factoring	CCC.eu Sp. z o.o.	Surety for reverse factoring agreement secured by BGK guarantee	July 1st 2021	-	258.2	PLN
CCC S.A.	mBank	CCC.eu Sp. z o.o.	Surety for revolving credit facility agreement secured by BGK guarantee	July 1st 2021	June 3rd 2023	46.0	PLN
CCC S.A. (Surety provided jointly with CCC Shoes&Bags sp. z o.o., CCC.EU sp. z o.o.)	Bank Handlowy	CCC Factory Sp. z o.o.	Surety for overdraft facility agreement secured by BGK guarantee	June 17th 2021	-	7.0	PLN
CCC S.A. (Surety provided jointly with CCC Shoes&Bags sp. z o.o., CCC.EU sp. z o.o.)	Millennium	CCC Factory Sp. z o.o.	Aval for reverse factoring agreement secured by BGK guarantee	March 9th 2021	-	10.5	PLN
CCC S.A. (Surety provided jointly with CCC Shoes&Bags sp. z o.o., CCC.EU sp. z o.o.)	Millennium	CCC Factory Sp. z o.o.	Aval for reverse factoring agreement secured by BGK guarantee	March 9th 2021	February 27th 2026	20.9	PLN

(all amounts in PLN million unless stated otherwise)

CCC S.A. (Surety provided jointly with CCC Shoes&Bags sp. z o.o., CCC.EU sp. z o.o.)	Pekao S.A.	CCC Factory Sp. z o.o.	Surety for overdraft facility agreement secured by BGK guarantee	March 31st 2021	-	8.3	PLN
CCC S.A.	BNP PARIBAS	CCC Factory Sp. z o.o.	Surety for overdraft facility agreement secured by BGK guarantee	July 1st 2021	March 31st 2026	34.8	PLN
CCC S.A.	mBank	CCC Factory Sp. z o.o.	Surety for revolving credit facility agreement secured by BGK guarantee	June 14th 2021	June 3rd 2025	3.5	PLN
CCC S.A. (Surety granted jointly with CCC.eu Sp. z o.o. and Gino Rossi S.A.)	Santander Factoring	CCC Factory Sp. z o.o.	Surety for reverse factoring agreement secured by BGK guarantee	March 9th 2021	-	43.4	PLN
CCC S.A. (Surety granted jointly with CCC.eu Sp. z o.o., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o., HalfPrice Sp. z o.o., CCC Slovakia s.r.o., CCC Czech s.r.o., CCC Obutev d.o.o., CCC Hrvatska d.o.o., CCC Hungary, Shoe Express S.A.)	Bank Handlowy	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o.	Surety for syndicated agreement	June 18th 2021	December 31st 2028	203.7	PLN
CCC S.A. (Surety granted jointly with CCC.eu Sp. z o.o., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o., HalfPrice Sp. z o.o., CCC Slovakia s.r.o., CCC Czech s.r.o., CCC Obutev d.o.o., CCC Hrvatska d.o.o., CCC Hungary, Shoe Express S.A.)	Millenium	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o.	Surety for syndicated agreement	June 18th 2021	December 31st 2028	58.6	PLN
CCC S.A. (Surety granted jointly with CCC.eu Sp. z o.o., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o., HalfPrice Sp. z o.o., CCC Slovakia s.r.o., CCC Czech s.r.o., CCC Obutev d.o.o., CCC Hrvatska d.o.o., CCC Hungary, Shoe Express S.A.)	Pekao S.A.	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o.	Surety for syndicated agreement	June 18th 2021	December 31st 2028	199.7	PLN
CCC S.A. (Surety granted jointly with CCC.eu Sp. z o.o., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o., HalfPrice Sp. z o.o., CCC Slovakia s.r.o., CCC Czech s.r.o., CCC Obutev d.o.o., CCC Hrvatska d.o.o., CCC Hungary, Shoe Express S.A.)	PKO BP S.A.	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o.	Surety for syndicated agreement	June 18th 2021	December 31st 2028	378.6	PLN
CCC S.A. (Surety granted jointly with CCC.eu Sp. z o.o., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o., HalfPrice Sp. z o.o., CCC Slovakia s.r.o., CCC Czech s.r.o., CCC Obutev d.o.o., CCC Hrvatska d.o.o., CCC Hungary, Shoe Express S.A.)	BNP PARIBAS	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o.	Surety for syndicated agreement	June 18th 2021	December 31st 2028	106.3	PLN
CCC S.A. (Surety granted jointly with CCC.eu Sp. z o.o., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o., HalfPrice Sp. z o.o.,	mBank	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes&Bags Sp. z o.o.,	Surety for syndicated agreement	June 18th 2021	December 31st 2028	135.2	PLN

(all amounts in PLN million unless stated otherwise)

CCC Slovakia s.r.o., CCC Czech s.r.o., CCC Obutev d.o.o., CCC Hrvatska d.o.o., CCC Hungary, Shoe Express S.A.)		CCC Factory Sp. z o.o.					
CCC S.A. (Surety granted jointly with CCC.eu Sp. z o.o., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o., HalfPrice Sp. z o.o., CCC Slovakia s.r.o., CCC Czech s.r.o., CCC Obutev d.o.o., CCC Hrvatska d.o.o., CCC Hungary, Shoe Express S.A.)	Santander Bank	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o.	Surety for syndicated agreement	June 18th 2021	December 31st 2028	247.0	PLN
CCC.eu Sp. z o.o., CCC S.A., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o., HalfPrice Sp. z o.o.	agent/Security Agent	CCC.eu Sp. z o.o., CCC S.A., CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o.	Surety for Commission Agreement	June 24th 2021	December 31st 2028	2.6	PLN
CCC S.A.	PFR FI FIZAN	CCC Shoes&Bags Sp. z o.o.	Surety for bonds	September 16th 2021	September 30th 2031	720.0	PLN

Received by CCC S.A.

COMPANY	BANK	DEBTOR	TYPE OF SECURITY	PERIOD OF VALIDITY		AMOUNT OF SURETY OR GUARANTEE [MILLION]	CURRENCY
				START DATE	END DATE		
CCC.eu Sp. z o.o. (Surety granted jointly with CCC Shoes&Bags Sp. z o.o.)	Bondholders	CCC S.A.	Surety for bonds	June 21st 2018	June 29th 2026	750.0	PLN
CCC.eu Sp. z o.o. (Surety granted jointly with CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o., HalfPrice Sp. z o.o., CCC Russia LLC, CCC Slovakia s.r.o., CCC Czech s.r.o., CCC Obutev d.o.o., CCC Hrvatska d.o.o., CCC Hungary, Shoe Express S.A.)	Bondholders	CCC S.A.	Surety for bonds	June 1st 2021	June 29th 2027	315.0	PLN
CCC.eu Sp. z o.o. (Surety granted jointly with CCC Shoes & Bags Sp. z o.o., CCC Factory Sp. z o.o., Gino Rossi S.A.)	PKO BP S.A.	CCC S.A.	Surety for Common Terms Agreement (CTA)	November 5th 2020	October 31st 2022	90.0	PLN
CCC.eu Sp. z o.o. (Surety granted jointly with CCC Shoes & Bags Sp. z o.o., CCC Factory Sp. z o.o., Gino Rossi S.A.)	Pekao S.A.	CCC S.A.	Surety for Common Terms Agreement (CTA)	November 5th 2020	October 31st 2022	61.5	PLN
CCC.eu Sp. z o.o. (Surety granted jointly with CCC Shoes & Bags Sp. z o.o., CCC Factory Sp. z o.o., Gino Rossi S.A.)	mBank	CCC S.A.	Surety for Common Terms Agreement (CTA)	November 5th 2020	October 31st 2022	58.5	PLN
CCC.eu Sp. z o.o. (Surety granted jointly with CCC Shoes & Bags Sp. z o.o., CCC Factory Sp. z o.o., Gino Rossi S.A.)	Santander Bank	CCC S.A.	Surety for Common Terms Agreement (CTA)	November 5th 2020	October 31st 2022	75.0	PLN
CCC.eu Sp. z o.o. (Surety granted jointly with CCC Shoes & Bags Sp. z o.o., CCC Factory Sp. z o.o., Gino Rossi S.A.)	Millennium	CCC S.A.	Surety for Common Terms Agreement (CTA)	November 5th 2020	October 31st 2022	24.0	PLN
CCC.eu Sp. z o.o. (Surety granted jointly with CCC Shoes & Bags Sp.	BNP PARIBAS	CCC S.A.	Surety for Common	November 5th 2020	November 5th 2022	19.5	PLN

(all amounts in PLN million unless stated otherwise)

z o.o., CCC Factory Sp. z o.o., Gino Rossi S.A.)			Terms Agreement (CTA)				
CCC.eu Sp. z o.o. (Surety granted jointly with CCC Shoes & Bags Sp. z o.o., CCC Factory Sp. z o.o., Gino Rossi S.A.)	Bank Handlowy	CCC S.A.	Surety for Common Terms Agreement (CTA)	November 5th 2020	October 31st 2022	46.5	PLN
CCC.eu Sp. z o.o. (Surety granted jointly with CCC Shoes&Bags Sp. z o.o., CCC Factory Sp. z o.o., HalfPrice Sp. z o.o., CCC Russia LLC, CCC Slovakia s.r.o., CCC Czech s.r.o., CCC Obutev d.o.o., CCC Hrvatska d.o.o., CCC Hungary, Shoe Express S.A.)	Bank syndicate	CCC S.A. (jointly with CCC.eu Sp. z o.o., CCC Factory Sp. z o.o., CCC Shoes & Bags Sp. z o.o., HalfPrice Sp. z o.o.)	Surety for syndicated credit facility agreement	June 18th 2021	December 31st 2028	1,328.9	PLN

Provided by CCC S.A. to foreign subsidiaries:

COMPANY	BANK	DEBTOR	TYPE OF SECURITY	PERIOD OF VALIDITY		AMOUNT OF SURETY OR GUARANTEE [MILLION]	CURRENCY
				START DATE	END DATE		
CCC S.A.	Raiffeisen Bank Zrt	CCC Hungary	Surety for bank guarantee agreement	June 25th 2014	December 31st 2022	3.0	EUR

MATERIAL RELATED-PARTY TRANSACTIONS

To the best of the Group's knowledge, no material related-party transactions were concluded on non-arm's length terms during the financial year. For information on related-party transactions, see section 'Related-party transactions' in the consolidated financial statements.

DESCRIPTION OF SIGNIFICANT AGREEMENTS

Credit facility agreements, reverse factoring agreements, and guarantee facility agreements:

1. Annex 6 of March 1st 2022 to the multi-purpose credit facility agreement of November 21st 2019 between CCC S.A., CCC.eu Sp. z o.o. and Powszechna Kasa Oszczędności Bank Polski S.A.
2. Annex 15 of March 3rd 2022 to the debt limit agreement of May 4th 2011 between CCC S.A. and BNP Paribas Bank Polski S.A.
3. Annex 154 of March 3rd 2022 to the guarantee limit agreement of March 31st 2009 between CCC S.A. and Santander Bank Polska S.A.
4. Annex 155 of June 24th 2022 to the guarantee limit agreement of March 31st 2009 between CCC S.A. and Santander Bank Polska S.A.
5. Annex 19 of March 4th 2022 to the framework agreement of November 14th 2012 between CCC S.A. and mBank S.A.
6. Annex 14 of April 29th 2022 to the revolving facility agreement of March 3rd 2009 between CCC.eu Sp. z o.o. and Bank Handlowy w Warszawie S.A.
7. Annex 5 of April 29th 2022 to the framework agreement concerning payment of receivables under commercial contracts, dated August 2nd 2018.
8. Annex 24 of June 30th 2022 to the multi-purpose credit facility agreement of October 15th 2014 between CCC.eu and Bank Polska Kasa Opieki Spółka Akcyjna

22. SIGNIFICANT RISK FACTORS

The risks identified by the Group, with relevant descriptions and measures taken to minimise their impact, are provided below.

RISK	DEFINITION	ACTION
Footfall at offline stores	If there is a lasting and significant decline in foot traffic at offline stores due to the COVID-19 pandemic, the Group's offline segment may deliver financial results significantly below the target set forth in the Strategy.	➢ in response to the COVID-19 pandemic, the Group has negotiated new lease terms for its offline stores with almost all landlords, addressing reduced in-store traffic expected in the coming quarters, ➢ ongoing monitoring of store performance and store chain management, including store closures and openings, space reductions and expansions, relocations, etc. ➢ consistent expansion of digital distribution channels – online and mobile sales platforms, ➢ monitoring the activities of other market operators.
Aligning products with customer expectations	The Group's ability to offer footwear and other products in line with current trends in fashion and customer expectations is crucial in driving customers' interest in purchasing them.	➢ building on the long track-record in designing, manufacturing and sale of footwear, ➢ influencing fashion trends through promotional and marketing activities and collaboration with influencers, ➢ implementing improvements in the process of creating, ordering and delivering collections to shorten design-to-shelf lead times.
Strength and recognition of brands under which the Group markets its products (notably CCC and eobuwie) and its private label brands of selected products (notably Lasocki, Gino Rossi, DeeZee, Sprandi, and Jenny Fairy)	Declining brand recognition affects customer interest, leading to lower traffic in offline and digital stores, which may cause financial performance to be significantly below the target set in the Strategy.	➢ promotional and marketing activities aimed at strengthening individual brands, ➢ building a footwear retail ecosystem integrating numerous touchpoints to increase customer loyalty, ➢ rollout of up-to-date offline store formats to boost brand image
Trade credit risk	Some wholesale operations are conducted on a deferred payment basis, which exposes the CCC Group to the risk of financing its customers. In order to maintain the leading position on the footwear market, the CCC Group uses trade credit to additionally increase its attractiveness to wholesale trading partners. The source of this risk lies in uncertainty as to whether and when amounts due to the Company will be settled.	➢ regular checks of customers' financial condition, ➢ regular checks of customers' credit history.
Currency risk	The CCC Group companies generate revenue in PLN, EUR, CZK, HUF, HRK, BGN, RSD and most of its costs are denominated in foreign currencies. This means the CZK, HUF, HRK, BGN, RSD, CHF, USD and EUR exchange rates (virtually all imports are denominated in USD and EUR, and a large percentage of rental costs is denominated in EUR) will affect the Group's income and expenses. The key supply market for the CCC Group is the Chinese market and, consequently, the exchange rate of CNY against major global currencies may also have a significant impact on the Group's expenses. A stronger CNY may lead to deterioration in import terms and increase costs for consumers.	➢ continuous monitoring of movements in currency exchange rates relevant to the Group; ➢ implementation of a natural hedging strategy.
Interest rate risk	The CCC Group is exposed to interest rate risk as a result of concluded credit facility agreements and bonds in issue, which bear interest at floating rates based on WIBO. An increase in interest rates will affect the amount of interest paid on the credit facilities and bonds.	➢ diversification of capital sources, ➢ monitoring of key interest rates.
Risk related to overall economic conditions	The CCC Group operates primarily in the Polish and Central European markets, so the purchasing power of consumers in these	➢ diversifying its operations in terms of countries in which it is present (reducing the correlation of economic situation between countries);

(all amounts in PLN million unless stated otherwise)

	markets and their propensity to consume are important factors to the Group. Any deterioration of the economic conditions may have an adverse effect on the Group's operating results and financial standing.	➢ monitoring the economic situation globally and in the countries relevant to the Group, and adjusting the Group's strategy accordingly, ➢ monitoring important economic indicators in selected countries (unemployment rate, GDP per capita, CPI).
Seasonality of sales and weather conditions	Sales and the value of inventories depend on seasonal movements in demand (with peak demand in spring and autumn). Disruptive weather conditions can result in customers postponing purchasing decisions or in a shortened peak sales season.	➢ The Group mitigates the risk of weather conditions impacting its sales chiefly by increasing the proportion of year-round products in its portfolio, including sports shoes marketed under its private label Sprandi and under recognisable third-party brands.

REPORTING CALENDAR

November 23rd 2022 Consolidated report for the third quarter of 2022

23. CCC S.A. SHARES ON THE WARSAW STOCK EXCHANGE

23.1. CCC S.A. STOCK PRICE

CCC shares have been listed in the continuous trading system on the main market of the Warsaw Stock Exchange since December 2nd 2004. Currently, they are included in the key indices: WIG, WIG20, WIG30, WIG-Poland, WIG-Div, WIG-Odzież, and WIG ESG.

As at July 31st 2022, the price of one CCC share was PLN 43.40, which translated into the CCC Group's market capitalisation in excess of PLN 2.4bn.

The Annual General Meeting held on June 15th 2022 approved the Directors' Reports on the operations of the Company and the CCC Group, and the financial statements for 2021. The Meeting passed a resolution to allocate the entire net profit earned in the financial year that began on February 1st 2021 and ended on January 31st 2022, amounting to PLN 442,382,615.92, to the Company's statutory reserve funds.

23.2. SHARE CAPITAL AND SHAREHOLDERS

As at July 31st 2022, the share capital of CCC S.A. amounted to PLN 5,486,800.00 and was divided into 54,868,000 shares with a par value of PLN 0.10 per share.

SERIES/ISSUE	TYPE OF SHARES	TYPE OF PREFERENCE	NUMBER OF SHARES	PAR VALUE OF THE SERIES/ISSUE (PLN)	FORM OF PAYMENT FOR SHARES
"A1"	registered voting preference	registered voting preference	6,650,000	665,000	cash
"A2"	ordinary bearer shares	ordinary bearer shares	13,600,000	1,360,000	cash
B	ordinary bearer shares	ordinary bearer shares	9,750,000	975,000	cash
C	ordinary bearer shares	ordinary bearer shares	2,000,000	200,000	cash
D	ordinary bearer shares	ordinary bearer shares	6,400,000	640,000	cash
E	ordinary bearer shares	ordinary bearer shares	768,000	76,800	cash
H	ordinary bearer shares	ordinary bearer shares	2,000,000	200,000	cash
I	ordinary bearer shares	ordinary bearer shares	6,850,000	685,000	cash
J	ordinary bearer shares	ordinary bearer shares	6,850,000	685,000	cash
Total			**54,868,000**	**5,486,800**	

(all amounts in PLN million unless stated otherwise)

SHAREHOLDERS WITH MAJOR HOLDINGS

According to the information available to the Company, shareholders holding 5% or more of total voting rights in CCC S.A. as at July 31st 2022 were:

- ULTRO S.a.r.l. (a subsidiary of Dariusz Miłek), which held 17,077,465 Company shares, representing 31.12% of the share capital and 38.32% of total voting rights;
- Aviva OFE Aviva Santander, which held 4,022,000 Company shares, representing 7.33% of the share capital and 6.54% of total voting rights.
- Funds managed by Nationale-Nederlanden PTE SA, which held 3,229,000 Company shares, representing 5.89% of the share capital and 5.25% of total voting rights,

SHAREHOLDER	NUMBER OF SHARES HELD	% OWNERSHIP INTEREST	NUMBER OF VOTING RIGHTS	% VOTING INTEREST
Ultro S.a.r.l. (subsidiary of Dariusz Miłek)	17,077,465	31.12%	23,577,465	38.32%
Aviva OFE*	4,022,000	7.33%	4,022,000	6.54%
Funds managed by Nationale-Nederlanden PTE S.A.**	3,229,000	5.89%	3,229,000	5.25%
Other investors***	30,539,535	55.66%	30,689,535	49.89%
total:	**54,868,000**	**100.00%**	**61,518,000**	**100.00%**

* As per the list of shareholders entitled to participate in the Extraordinary General Meeting on June 15th 2022.
** Other investors holding less than 5% of voting rights.

SHARES IN THE PARENT AND IN RELATED ENTITIES HELD BY MANAGING AND SUPERVISING PERSONS

SHAREHOLDER	NUMBER OF SHARES AS AT THE DATE OF ISSUE OF THIS REPORT	PAR VALUE OF SHARES AS AT THE DATE OF ISSUE OF THIS REPORT (PLN)
Management Board		
Ultro S.a.r.l. (subsidiary of Dariusz Miłek)	17,077,465	1,707,746
Marcin Czyczerski, CEO and President	5,100	510
Mariusz Gnych, Vice President	207,112	20,711
Karol Półtorak, Vice President	5,500	550
Igor Matus, Vice President	527	53

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

COMPANY SHAREHOLDERS HOLDING SPECIAL CONTROL RIGHTS

According to the Articles of Association of the Company, CCC S.A. shares are divided into two classes:

- ordinary bearer shares, each conferring one voting right in the Company,
- registered shares with voting preference, each conferring two voting rights in the Company,

SHAREHOLDER	NUMBER OF SHARES HELD	% OWNERSHIP INTEREST	NUMBER OF VOTING RIGHTS	% VOTING INTEREST
ULTRO Sp. z o.o. Subsidiary of Dariusz Miłek	6,500,000	11.85%	13,000,000	21.13%
Lech Chudy	50,000	0.09%	100,000	0.16%
Renata Miłek	50,000	0.09%	100,000	0.16%
Mariusz Gnych	50,000	0.09%	100,000	0.16%
Total	**6,650,000**	**12.12%**	**13,300,000**	**21.62%**

RESTRICTIONS ON VOTING RIGHTS ATTACHED TO EXISTING SHARES

There are no restrictions on the exercise of voting rights.

(all amounts in PLN million unless stated otherwise)

RESTRICTIONS ON TRANSFER OF OWNERSHIP RIGHTS TO SECURITIES

Shareholders have the pre-emptive right to acquire registered preference shares intended for sale. If the right is not exercised with respect to all or any of the shares, the transfer of ownership of the shares requires approval by the Company's Management Board.

RULES GOVERNING AMENDMENTS TO THE COMPANY'S ARTICLES OF ASSOCIATION

Any amendments to the Articles of Association are governed by the applicable provisions of the Commercial Companies Code.
Amendments to the Articles of Association require a resolution of the General Meeting adopted by a majority of ¾ of the votes and an entry to the National Court Register. When authorised to do so by the General Meeting, the Supervisory Board of the Company may determine the consolidated text of the amended Articles of Association or make other editorial changes specified in the respective resolution of the General Meeting.

24. MANAGEMENT BOARD AND SUPERVISORY BOARD

As at July 31st 2022, the Management Board of CCC S.A. consisted of:

Full name of Management Board Member	Position held
Marcin Czyczerski	President of the Management Board
Karol Półtorak	Vice President
Adam Holewa	Vice President
Igor Matus	Vice President
Kryspin Derejczyk	Vice President
Adam Marciniak	Vice President

On September 29th 2022, Adam Marciniak resigned as Vice President of the Company's Management Board, with effect from September 29th 2022.

As at July 31st 2022 and as at the issue date of this Report, the Supervisory Board of CCC S.A. had the following composition:

Full name of Supervisory Board Member	Position held
Dariusz Miłek	Chair of the Supervisory Board (elected on April 11th 2019)
Wiesław Oleś	Deputy Chair of the Supervisory Board (Chair of the Supervisory Board elected on June 24th 2015/Deputy Chair of the Supervisory Board elected on May 9th 2019)
Filip Gorczyca	Member of the Supervisory Board (elected on April 11th 2019), Chair of the Audit Committee
Zofia Dzik	Member of the Supervisory Board (elected on June 18th 2019), member of the Audit Committee
Mariusz Gnych	Member of the Supervisory Board (elected on June 15th 2022), member of the Audit Committee

For a detailed description of the remits of the Management Board and Supervisory Board, see the corporate website: https://corporate.ccc.eu/wladze-ccc

25. OTHER INFORMATION

ITEMS THAT ARE UNUSUAL BECAUSE OF THEIR NATURE, VALUE OR FREQUENCY AND WHICH AFFECT ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

Events occurring in the reporting period that were considered unusual items because of their nature and frequency were as follows:

- Reclassification of OBUV OOO's operations to discontinued operations and sale of 100% of its shares to a buyer outside the Group. The event is described in more detail in Note 6.3 'Discontinued Operations';
- Acquisition of assets of the Group's former franchisee operating in Lithuania, Latvia and Estonia. The event is described in more detail in Note 6.2. 'Acquisition of subsidiaries and associates';
- Fulfilment of an investment commitment as a result of which MODIVO S.A. and the partnership limited by shares whose sole general partner is Damian Zapłata, President of the MODIVO S.A. Management Board, executed an agreement to subscribe for 38,000 new Series I shares with a par value of PLN 0.20 per share, at an issue price of PLN 600 per Series I share, that is in exchange for a cash contribution of PLN 22.8m. At the same time, the other non-controlling shareholders of MODIVO S.A. subscribed for 2,005 Series I shares in exchange for a cash contribution of PLN 1.2m. As a result of the transactions, the non-controlling interest in MODIVO S.A. increased from 25.01% to 25.31%.

IMPAIRMENT LOSSES, PROVISIONS AND DEFERRED TAX

For details, see "Interim condensed consolidated financial statements".

MATERIAL TRANSACTIONS OF PURCHASE AND SALE OF PROPERTY, PLANT AND EQUIPMENT AND RELATED LIABILITIES

No material transactions of purchase or sale of property, plant and equipment, or any related liabilities, occurred in the reporting period and after the reporting date.

MATERIAL PROCEEDINGS PENDING BEFORE COURT, COMPETENT ARBITRATION AUTHORITY OR PUBLIC ADMINISTRATION AUTHORITY, CONCERNING LIABILITIES AND RECEIVABLES OF THE ISSUER OR ITS SUBSIDIARIES, INCLUDING AN INDICATION OF THE SUBJECT MATTER OF THE PROCEEDINGS, VALUE OF THE DISPUTE, DATE WHEN THE PROCEEDINGS WERE INITIATED, PARTIES TO THE INITIATED PROCEEDINGS AND THE ISSUER'S POSITION

Not applicable.

MATERIAL LITIGATION SETTLEMENTS

Not applicable.

CORRECTIONS OF PRIOR PERIOD ERRORS

Not applicable.

CHANGES IN ECONOMIC ENVIRONMENT AND TRADING CONDITIONS WITH A MATERIAL EFFECT ON THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES OF THE COMPANY, IRRESPECTIVE OF WHETHER SUCH ASSETS AND LIABILITIES ARE CARRIED AT FAIR VALUE OR ADJUSTED ACQUISITION COST (AMORTISED COST)

Information on changes in the economic environment and trading conditions is presented in the section on going concern and events subsequent to the reporting date as well as in Note 6.1 'Financial instruments and risk management'.

CREDIT DEFAULT OR BREACH OF MATERIAL CREDIT COVENANTS WITH RESPECT TO WHICH NO REMEDIAL ACTION WAS TAKEN BEFORE THE END OF THE REPORTING PERIOD

Not applicable.

EXECUTION BY THE ISSUER OR ANY OF ITS SUBSIDIARIES OF ONE OR MORE RELATED-PARTY TRANSACTIONS, IF CONCLUDED ON NON-ARM'S LENGTH TERMS, INCLUDING INFORMATION ON THE VALUE OF SUCH TRANSACTIONS; INFORMATION ON INDIVIDUAL TRANSACTIONS MAY BE GROUPED BY TYPE, EXCEPT WHERE INFORMATION ON INDIVIDUAL TRANSACTIONS IS NECESSARY TO UNDERSTAND THEIR IMPACT ON THE ISSUER'S ASSETS, FINANCIAL POSITION AND FINANCIAL PERFORMANCE

Not applicable.

CHANGE IN THE METHOD USED TO DETERMINE THE FAIR VALUE OF FINANCIAL INSTRUMENTS
Not applicable.

CHANGES IN THE CLASSIFICATION OF FINANCIAL ASSETS AS A RESULT OF CHANGE IN THE PURPOSE OR USE OF THE ASSETS
Not applicable.

ISSUE, REDEMPTION AND REPAYMENT OF NON-EQUITY AND EQUITY SECURITIES
Not applicable.

DIVIDEND PAID OR DECLARED, IN TOTAL AND PER SHARE, WITH THE DIVISION INTO ORDINARY AND PREFERENCE SHARES
Not applicable.

CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS THAT HAVE OCCURRED SINCE THE END OF THE LAST FINANCIAL YEAR
Not applicable.

OTHER INFORMATION WHICH MAY MATERIALLY AFFECT THE ASSESSMENT OF THE ISSUER'S ASSETS, FINANCIAL CONDITION AND PROFIT/LOSS
Not applicable.

CHANGES TO THE ORGANISATION OF THE ISSUER'S GROUP, INCLUDING CHANGES RESULTING FROM A MERGER OF ENTITIES, THE GAINING OR LOSS OF CONTROL OVER SUBSIDIARIES AND LONG-TERM INVESTMENTS, AS WELL AS THE DIVISION, RESTRUCTURING OR DISCONTINUATION OF BUSINESS ACTIVITIES, AND IDENTIFICATION OF ENTITIES SUBJECT TO CONSOLIDATION, AND IN THE CASE OF THE ISSUER BEING A HOLDING ENTITY, WHICH IS NOT REQUIRED TO PREPARE CONSOLIDATED FINANCIAL STATEMENTS UNDER THE APPLICABLE REGULATIONS OR MAY NOT PREPARE CONSOLIDATED FINANCIAL STATEMENTS – ADDITIONALLY, INDICATION OF THE REASON FOR AND LEGAL BASIS OF THE LACK OF CONSOLIDATION
For details, see "Structure of the CCC Group".

MANAGEMENT BOARD'S POSITION ON THE FEASIBILITY OF MEETING ANY PREVIOUSLY PUBLISHED FORECASTS FOR A GIVEN YEAR IN LIGHT OF THE RESULTS PRESENTED IN THE QUARTERLY REPORT
Not applicable.

LOAN SURETIES OR GUARANTEES ISSUED BY THE ISSUER OR ITS SUBSIDIARY WHERE THE AGGREGATE VALUE OF SUCH OUTSTANDING SURETIES OR GUARANTEES ISSUED TO A SINGLE ENTITY OR ITS SUBSIDIARY IS SIGNIFICANT
In the reporting period, no significant guarantees or sureties were provided for credit facilities or loans.

KEY CAPITAL AND EQUITY INVESTMENTS WITHIN THE GROUP IN THE FINANCIAL YEAR
The subsidiaries did not make any significant capital or equity investments in the reporting period. Any cash surplus is used to repay debt under overdraft facilities.

CONTRACTS/AGREEMENTS BETWEEN THE COMPANY AND THE MANAGEMENT STAFF
On May 23rd 2022, MODIVO S.A. and the partnership limited by shares whose sole general partner is Damian Zapłata, President of the MODIVO Management Board, executed an agreement to acquire 38,000 Series I shares with a par value of PLN 0.20 per share, at an issue price of PLN 600 per Series I share, i.e., in exchange for a cash contribution of PLN 22,800,000.00.

SHARE BUY-BACK
In the reporting period, CCC S.A. did not perform any buy-back of its own shares.

RESTRICTIONS ON VOTING RIGHTS AT THE COMPANY
In the reporting period, there were no restrictions on the exercise of voting rights at the Company.

PARENT'S BRANCHES (ESTABLISHMENTS)
As at the reporting date, the Parent had no branches (establishments).

MAJOR R&D ACHIEVEMENTS
Not applicable.

FACTORS AND EVENTS, INCLUDING OF A NON-RECURRING NATURE, HAVING MATERIAL BEARING ON THE CONDENSED FINANCIAL STATEMENTS
No such factors or events were identified except as disclosed in the section on going concern and events subsequent to the reporting date.

FACTORS WHICH IN THE COMPANY'S OPINION WILL AFFECT ITS PERFORMANCE IN THE NEXT QUARTER OR IN A LONGER TERM
No such factors or events were identified except as disclosed in the section on going concern and events subsequent to the reporting date.

26. EVENTS SUBSEQUENT TO THE DATE AS AT WHICH THE INTERIM CONDENSED FINANCIAL STATEMENTS WERE PREPARED, WHICH HAVE NOT BEEN DISCLOSED IN THIS REPORT BUT COULD SIGNIFICANTLY AFFECT THE ISSUER'S FUTURE FINANCIAL RESULTS

On September 13th 2022, the Management Board of CCC S.A. convened an Extraordinary General Meeting of CCC S.A. for October 28th 2022 at CCC S.A.'s registered office address in Polkowice.
The General Meeting is convened at the request of the Company's main shareholder in order to increase the share capital. The request contains a non-binding intention to provide equity financing of up to approximately PLN 500m, to be applied to finance the Company's working capital, if the Company issues new shares with the pre-emptive rights of existing shareholders waived and the price of the shares equal to the average closing price from the last three stock exchange trading sessions.
On October 21st 2022, the Management Board of CCC S.A. revoked, due to formal reasons, the Extraordinary General Meeting convened for October 28th 2022 and reconvened the Meeting for November 17th 2022, with CCC S.A.'s registered office in Polkowice designated as the venue of the Meeting. The purpose of the General Meeting is to enable the Company to raise additional equity contributions from both Ultro S.à.r.l. of Luxembourg (the Company's largest shareholder) and other investors entitled to participate in the Company's new share offering carried out pursuant to the exemption from the obligation to publish a prospectus within the meaning of applicable laws, and to seek admission and introduction of new shares, being bearer shares, to trading on the regulated market operated by the Warsaw Stock Exchange. For more information, see the current report of October 21st 2022.

In addition, the Company's Management Board has announced that it is considering the options to raise capital by way of a leaseback of selected property, plant and equipment owned by the CCC Group companies (e.g., storage infrastructure), raise new financing (debt or equity) for selected entities or business lines of the Group (e.g., HalfPrice), or conduct an IPO for Modivo.

On September 29th 2022, Adam Marciniak resigned as Vice President of the Company's Management Board, with effect from September 29th 2022. As at the date of issue of these financial statements, the change was not yet entered in the National Court Register.

On September 30th 2022, the Management Board of CCC S.A. convened a Bondholders Meeting for October 24th 2022, for holders of Series 1/2018 bonds issued by the Company under the terms and conditions of the bonds of June 21st 2018 (CCC0626). The purpose of the meeting was to obtain the consent of the Bondholders Meeting to abstain from testing selected financial ratios and to amend the Terms and Conditions of the Bonds, including their qualified provisions as referred to in Art. 49.1 of the Act on Bonds of January 15th 2015, with respect to financial ratios.
As a result, on October 24th 2022 the Bondholders Meeting passed resolutions on, among others, change of the levels of selected financial ratios as of October 31st 2022, as described in more detail in the going concern note. Details of all the resolutions were published in a current report of October 24th 2022.

In addition, on October 12th 2022 the Management Board of CCC S.A. agreed on a term sheet (the "Term Sheet") concerning amendment of the Common Terms Agreement of November 5th 2020. On October 19th 2022, the Management Board of CCC S.A. agreed on a term sheet (the "Term Sheet") concerning amendment of the credit facility agreement of June 2nd 2021. Both Term Sheets were agreed with the institutions providing financing to the CCC Group and are described in the going concern note.

27. MANAGEMENT BOARD'S REPRESENTATIONS

REPRESENTATION ON ACCURACY OF THE FINANCIAL STATEMENTS

To the best knowledge of the Management Board of CCC S.A., the interim condensed consolidated and separate financial statements and the Directors' Report on the operations of the CCC Group as well as the comparative data have been prepared in compliance with the applicable accounting standards and give a true, clear and fair view of the CCC Group's assets, financial standing and financial results. The Directors' Report on the operations of the CCC Group gives a fair view of the Group's development, achievements and standing, and includes a description of key risks and threats.

The interim condensed consolidated financial report of the CCC Group and CCC S.A. was authorised for issue and signed by the CCC S.A. Management Board on October 25th 2022.

The interim condensed consolidated report was authorised for issue by the Management Board on October 25th 2022 and signed on behalf of the Management Board by:	
Edyta Skrzypiec - Rychlik	Chief Accountant
Signatures of all Management Board members:	
Marcin Czyczerski	President of the Management Board
Karol Półtorak	Vice President
Adam Holewa	Vice President
Igor Matus	Vice President
Kryspin Derejczyk	Vice President
Adam Marciniak	Vice President