INTERIM CONDENSED CONSOLIDATED REPORT OF THE CCC GROUP FOR THE NINE MONTHS

from 1 February 2024
to 31 October 2024

SELECTED FINANCIAL AND OPERATING DATA OF THE CCC GROUP

Selected financial data from the consolidated statement of comprehensive income	PLN million		EUR million	
	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
Revenue	**7,621.4**	**6,919.0**	**1,771.1**	**1,521.2**
CCC	3,260.0	2,948.8	757.6	648.3
HalfPrice	1,248.5	982.0	290.1	215.9
eobuwie	2,316.6	2,145.9	538.3	471.8
MODIVO	733.5	774.3	170.5	170.2
DeeZee	62.8	68.0	14.6	15.0
Gross profit	**3,865.1**	**3,234.9**	**898.2**	**711.2**
Gross margin	50.7%	46.8%	50.7%	46.8%
Operating profit (loss)	**741.1**	**88.50**	**172.2**	**19.5**
Segment profit (EBITDA)	**1,186.4**	**541.80**	**275.7**	**119.2**
CCC	764.1	482.0	177.6	106.0
HalfPrice	252.2	68.4	58.6	15.0
eobuwie	131.9	-8.4	30.7	-1.8
MODIVO	36.3	-4.3	8.4	-0.9
DeeZee	1.9	4.1	0.4	0.9
Profit (loss) before tax	**373.5**	**-156.9**	**86.8**	**-34.5**
Net profit (loss)	**463.4**	**-154.1**	**107.7**	**-33.9**

Selected financial data from the consolidated statement of financial position	PLN million		EUR million	
	31 Oct 2024	31 Jan 2024	31 Oct 2024	31 Jan 2024
	unaudited, unreviewed	audited	unaudited, unreviewed	audited
Non-current assets	**3,998.2**	**3,740.5**	**918.5**	**861.2**
Current assets, including:	**5,215.5**	**3,580.9**	**1,198.1**	**824.4**
Inventories	3,801.2	2,911.6	873.2	670.4
Cash	686.4	266.5	157.7	61.4
Total assets	**9,213.7**	**7,346.0**	**2,116.6**	**1,691.3**
Non-current liabilities, including:	**2,448.2**	**1,959.3**	**562.4**	**451.1**
Bank borrowings and bonds	1,100.1	676.6	252.7	155.8
Lease liabilities	1,255.2	1,213.2	288.4	279.3
Current liabilities, including:	**5,366.8**	**4,433.2**	**1,232.9**	**1,020.7**
Bank borrowings and bonds	1,244.8	1,418.8	286.0	326.7
Trade and other payables	2,704.4	1,820.2	621.3	419.1
Total liabilities	**7,815.0**	**6,392.5**	**1,795.3**	**1,471.8**
Equity	**1,398.7**	**953.5**	**321.3**	**219.5**

Selected financial data from the consolidated statement of cash flows	PLN million		EUR million	
	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
Net cash flows from operating activities	993.7	821.1	230.9	180.6
Net cash flows from investing activities	-246.0	-257.0	-57.2	-56.5
Net cash flows from financing activities	-327.8	-389.2	-76.2	-85.6
Total cash flows	**419.9**	**174.9**	**97.5**	**38.5**
Capital expenditure	-316.7	-264.1	-73.6	-58.1

Operating data	31 Oct 2024	31 Jan 2024
	unaudited, unreviewed	audited
Number of stores	1,018	979
Retail space (thousand m^2)	827.7	787.4
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 31 October 2024 was EUR 1 = PLN 4.3530;
   - the exchange rate as at 31 January 2024 was EUR 1 = PLN 4.3434;
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 1 February 2024–31 October 2024, the average exchange rate was EUR 1 = PLN 4.3032;
   - in the period 1 February 2023–31 October 2023, the average exchange rate was EUR 1 = PLN 4.5483.

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

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS

from 1 February 2024
to 31 October 2024

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
CONTINUING OPERATIONS				
Revenue	7,621.4	6,919.0	2,770.9	2,430.4
Cost of sales	-3,756.3	-3,684.1	-1,350.9	-1,256.4
Gross profit	**3,865.1**	**3,234.9**	**1,420.0**	**1,174.0**
Costs of points of purchase and distribution	-2,912.1	-2,867.1	-1,009.9	-961.6
Administrative expenses	-245.8	-294.3	-81.6	-100.6
Other income	65.4	50.4	17.5	12.4
Other expenses	-33.9	-27.0	-17.9	-46.9
(Recognition) / Reversal of loss allowances (trade and other receivables)	2.4	-8.4	-0.1	-1.1
Operating profit (loss)	**741.1**	**88.5**	**328.0**	**76.2**
Finance income	2.3	72.6	-0.1	-0.6
Finance costs	-369.9	-318.0	-126.0	-104.4
Profit (loss) before tax	**373.5**	**-156.9**	**201.9**	**-28.8**
Income tax	89.9	2.8	-43.5	11.8
NET PROFIT (LOSS)	**463.4**	**-154.1**	**158.4**	**-17.0**
Attributable to owners of the parent	487.4	-101.5	155.4	5.1
Attributable to non-controlling interests	-24.0	-52.6	3.0	-22.1
Items that may be reclassified to profit or loss:				
Exchange differences on translating foreign operations	-4.4	-17.5	1.5	-0.5
Total other comprehensive income, net	**-4.4**	**-17.5**	**1.5**	**-0.5**
TOTAL COMPREHENSIVE INCOME	**459.0**	**-171.6**	**159.9**	**-17.5**
Comprehensive income attributable to owners of the parent	483.5	-118.3	157.2	4.8
Non-controlling interests	-24.5	-53.3	2.7	-22.3
Weighted average number of ordinary shares (million)	**68.9**	**65.2**	**68.9**	**65.2**
Basic earnings (loss) per share from profit (loss) for period, attributable to owners of the parent (PLN)	**7.07**	**-1.56**	**2.26**	**0.08**
Basic earnings (loss) per share from profit (loss) from continuing operations for period, attributable to owners of the parent (PLN)	**7.07**	**-1.56**	**2.26**	**0.07**
Diluted earnings (loss) per share from profit (loss) for period, attributable to owners of the parent (PLN)	**7.07**	**-1.56**	**2.26**	**0.08**
Diluted earnings (loss) per share from profit (loss) from continuing operations for period, attributable to owners of the parent (PLN)	**7.07**	**-1.56**	**2.26**	**0.07**

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 Oct 2024	31 Jan 2024
	unaudited, unreviewed	audited
Intangible assets	466.5	431.5
Goodwill	201.1	199.7
Property, plant and equipment – leasehold improvements	866.9	713.1
Property, plant and equipment – distribution	582.8	690.5
Property, plant and equipment – other	50.8	41.9
Right-of-use assets	1,386.6	1,400.1
Deferred tax assets	382.1	248.7
Loans	–	–
Other financial assets	11.2	11.2
Lease receivables	27.2	–
Investments in associates	3.8	3.8
Long-term receivables	19.2	–
Non-current assets	**3,998.2**	**3,740.5**
Inventories	3,801.2	2,911.6
Trade receivables	346.6	194.1
Income tax receivable	6.5	25.2
Loans	–	–
Other receivables	363.2	183.0
Cash and cash equivalents	686.4	266.5
Derivative financial instruments	7.4	0.5
Lease receivables	4.2	–
Current assets	**5,215.5**	**3,580.9**
Assets classified as held for sale	**–**	**24.6**
TOTAL ASSETS	**9,213.7**	**7,346.0**
Bank borrowings and bonds	1,100.1	676.6
Deferred tax liabilities	44.3	31.4
Other non-current liabilities	3.0	4.0
Provisions	13.0	12.8
Grants received	14.3	14.7
Lease liabilities	1,255.2	1,213.2
Liabilities arising from obligation to purchase non-controlling interests	12.2	–
Other non-current financial liabilities	6.1	6.6
Non-current liabilities	**2,448.2**	**1,959.3**
Bank borrowings and bonds	1,244.8	1,418.8
Trade and other payables	2,704.4	1,820.2
Other liabilities	614.4	462.7
Income tax liabilities	7.1	6.7
Provisions	35.2	9.3
Grants received	0.5	0.5
Lease liabilities	545.8	519.0
Liabilities arising from obligation to purchase non-controlling interests	206.8	192.6
Other current financial liabilities	7.8	3.4
Current liabilities	**5,366.8**	**4,433.2**
TOTAL LIABILITIES	**7,815.0**	**6,392.5**
NET ASSETS	**1,398.7**	**953.5**
Equity		
Share capital	6.9	6.9
Share premium	1,648.2	1,648.2
Translation reserve	-4.9	-1.0
Actuarial valuation of employee benefits	0.5	0.5
Retained earnings	-326.1	-813.5
Equity attributable to owners of the parent	**1,324.6**	**841.1**
Non-controlling interests	74.1	112.4
TOTAL EQUITY	**1,398.7**	**953.5**
TOTAL EQUITY AND LIABILITIES	**9,213.7**	**7,346.0**

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
Profit (loss) before tax	**373.5**	**-156.9**	**201.9**	**-28.8**
Depreciation/amortisation	445.3	453.3	151.0	153.3
Impairment losses on property, plant and equipment, right-of-use assets, intangible assets and remeasurement to fair value of disposal group	-0.5	–	–	–
(Gain) loss on investing activities	-17.8	5.3	-2.0	1.7
Borrowing costs	309.3	289.8	105.6	96.5
Other adjustments to profit before tax	46.4	-86.0	15.0	16.6
Income tax paid	-11.6	-19.9	-17.0	20.4
Cash flow before changes in working capital	**1,144.6**	**485.6**	**454.5**	**259.7**
Changes in working capital				
Change in inventories and inventory write-downs	-886.2	-377.3	-224.1	-336.2
Change in receivables and impairment losses on receivables	-309.3	-156.4	-219.7	-82.6
Change in current liabilities, net of borrowings and bonds	1,044.6	869.2	727.0	445.9
Net cash flows from operating activities	**993.7**	**821.1**	**737.7**	**286.8**
Proceeds from sale of property, plant and equipment	79.2	7.1	7.6	3.5
Other cash provided by investing activities	1.7	–	1.0	5.4
Purchase of intangible assets and property, plant and equipment	-316.7	-264.1	-139.2	-55.2
Acquisition of investments in subsidiaries	-10.0	–	–	–
Other investing expenditure	-0.2	–	-0.2	–
Net cash flows from investing activities	**-246.0**	**-257.0**	**-130.8**	**-46.3**
Proceeds from borrowings	176.9	120.9	-108.2	91.6
Repayment of borrowings	-70.6	-541.0	-42.6	-53.1
Payment of commission fees on credit facilities	-16.2	–	–	–
Lease payments	-274.2	-292.0	-80.4	-91.6
Interest paid	-167.3	-197.8	-45.8	-40.2
Other cash provided by financing activities	23.6	19.1	13.1	–
Net proceeds from share issue	–	501.6	–	–
Net cash flows from financing activities	**-327.8**	**-389.2**	**-263.9**	**-93.3**
TOTAL CASH FLOWS	**419.9**	**174.9**	**343.0**	**147.2**
Net increase/decrease in cash and cash equivalents	419.9	174.9	343.0	147.2
Cash and cash equivalents at beginning of period	**266.5**	**395.4**	**343.4**	**423.1**
Cash and cash equivalents at end of period	**686.4**	**570.3**	**686.4**	**570.3**

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

unaudited, unreviewed	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TRANSLATION RESERVE	ACTUARIAL VALUATION OF EMPLOYEE BENEFITS	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	ATTRIBUTABLE TO OWNERS OF THE PARENT						
As at 1 Feb 2024	**6.9**	**1,648.2**	**-813.5**	**-1.0**	**0.5**	**112.4**	**953.5**
Net profit (loss) for period	–	–	463.4	–	–	–	463.4
Net profit (loss) allocated to non-controlling interests	–	–	24.0	–	–	-24.0	–
Exchange differences on translation	–	–	–	-3.9	–	-0.5	-4.4
Total comprehensive income	**–**	**–**	**487.4**	**-3.9**	**–**	**-24.5**	**459.0**
Measurement of employee option plan	–	–	–	–	–	-13.8	-13.8
Total transactions with owners	**–**	**–**	**–**	**–**	**–**	**-13.8**	**-13.8**
As at 31 Oct 2024	**6.9**	**1,648.2**	**-326.1**	**-4.9**	**0.5**	**74.1**	**1,398.7**

unaudited, unreviewed	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TRANSLATION RESERVE	ACTUARIAL VALUATION OF EMPLOYEE BENEFITS	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	ATTRIBUTABLE TO OWNERS OF THE PARENT						
As at 1 Feb 2023	**5.5**	**1,148.0**	**-759.7**	**22.1**	**0.4**	**166.4**	**582.7**
Net profit (loss) for period attributable to owners of the parent	–	–	-154.1	–	–	–	-154.1
Profit (loss) attributable to non-controlling interests	–	–	52.6	–	–	-52.6	–
Exchange differences on translation	–	–	–	-16.8	–	-0.7	-17.5
Total comprehensive income	**–**	**–**	**-101.5**	**-16.8**	**–**	**-53.3**	**-171.6**
Measurement of employee option plan	–	–	2.3	–	–	13.8	16.1
Other changes	–	-0.3	0.2	0.1	–	0.1	0.1
Share issue	1.4	500.2	–	–	–	–	501.6
Acquisition of subsidiary	–	–	–	–	–	4.1	4.1
Total transactions with owners	**1.4**	**499.9**	**2.5**	**0.1**	**–**	**18.0**	**521.9**
As at 31 Oct 2023	**6.9**	**1,647.9**	**-858.7**	**5.4**	**0.4**	**131.1**	**933.0**

(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 of clothing and footwear (NACE 5142).**
Management Board:	**President: Dariusz Miłek**
	Vice President: Karol Półtorak

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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 31 October 2024, 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.

These interim condensed consolidated financial statements cover the nine months ended 31 October 2024 and contain comparative data for the nine months ended 31 October 2023 and as at 31 January 2024. The interim condensed consolidated statement of comprehensive income and notes to the statement of comprehensive income contain data for the three months ended 31 October 2024 and comparative data for the three months ended 31 October 2023, which has not been audited or reviewed by an auditor.

These interim condensed consolidated financial statements of the CCC Group for the nine months ended 31 October 2024 were authorised for issue by the Management Board on 27 November 2024.

The interim financial results may not be indicative of the Group's potential full-year financial results due to the seasonality effect (with peak demand in spring and autumn).

On 23 July 2024, Igor Matus resigned as Vice President and Member of the Company's Management Board, with effect from 16 September 2024.

In the three months ended 31 October 2024, the Supervisory Board was composed of: Wiesław Oleś as Chair, with Zofia Dzik, Filip Gorczyca, Mariusz Gnych, Marcin Stańko, and Piotr Kamiński serving as Members of the Supervisory Board.

On 24 October 2024, Mariusz Gnych resigned as Member of the Company's Supervisory Board, with effect from 31 October 2024.

The parent and other Group companies were established for an indefinite period.

(all amounts in PLN million unless stated otherwise)

STRUCTURE OF THE CCC GROUP

The CCC Group consists of CCC S.A. (the parent) and its subsidiaries. In the nine months ended 31 October 2024, there were changes in the composition of the CCC Group relative to 31 January 2024, as discussed in more detail below. The structure of the CCC Group as at the reporting date is presented below.

SUBSIDIARIES OF CCC S.A.	REGISTERED OFFICE/COUNTRY	PRINCIPAL BUSINESS	EQUITY INTEREST AS AT 31 OCT 2024	EQUITY INTEREST AS AT 31 JAN 2024
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 Obutev d.o.o.	Maribor, Slovenia	trade	100%	100%
CCC Hrvatska d.o.o.	Zagreb, Croatia	trade	100%	100%
C-AirOP Ltd. [1]	Douglas, Isle of Man	services	50%	50%
CCC.eu Sp. z o.o. [2]	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. [3]	Zielona Góra, Poland	trade	75%	75%
Modivo S.R.L.	Alme, Italy	services	75%	75%
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. [4]	Zielona Góra, Poland	services	0%	75%
eschuhe.CH GmbH	Zug, Switzerland	trade	75%	75%
Modivo.cz s.r.o.	Prague, Czech Republic	trade	75%	75%
epantofi modivo s.r.l.	Bucharest, Romania	logistics	75%	75%
Modivo.lv SIA	Riga, Latvia	logistics	75%	75%
Modivo.sk s.r.o.	Bratislava, Slovakia	trade	75%	75%
Ecip Modivo Kft. [5]	Budapest, Hungary	trade	75%	0%
Fashion Tech Solutions Sp. z o.o. [6]	Warsaw, Poland	services	75%	0%
CCC Shoes & Bags d.o.o. Beograd	Belgrade, Serbia	trade	100%	100%
Shoe Express S.A. [7]	Bucharest, Romania	trade	100%	100%
DeeZee Sp. z o.o.[8]	Kraków, Poland	trade	75%	75%
HalfPrice Sp. z o.o.	Polkowice, Poland	trade	100%	100%
OFP Austria GmbH [9]	Graz, Austria	trade	100%	100%
OU CCC Estonia	Tallinn, Estonia	trade	100%	100%
UAB CCC Lithuania	Vilnius, Lithuania	trade	100%	100%
SIA CCC Shoes Latvia	Riga, Latvia	trade	100%	100%
CCC Ukraina Sp. z o.o.	Lviv, Ukraine	trade	75%	75%
CCC TECH Sp. z o.o. [10]	Polkowice, Poland	services	100%	0%
First distribution s.r.o. [11]	Prague, Czech Republic	trade	100%	0%
Boardriders s.r.o. [11]	Bratislava, Slovakia	trade	100%	0%
Rawaki Sp. z o.o. [11]	Warsaw, Poland	trade	100%	0%
HALFPRICE ESPAÑA, S.L. [12]	Madrid, Spain	trade	100%	0%

ASSOCIATES	REGISTERED OFFICE/COUNTRY	PRINCIPAL BUSINESS	EQUITY INTEREST AS AT 31 OCT 2024	EQUITY INTEREST AS AT 31 JAN 2024
HR Group Holding s.a.r.l. [13]	Luxembourg	trade	31%	31%
Pronos Sp. z o.o. [14]	Wrocław, Poland	services	25%	25%

[1] 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.
[2] CCC.eu Sp. z o.o. is a subsidiary of CCC S.A. (86.69%) and a subsidiary of CCC Shoes & Bags Sp. z o.o. (13.31%).
[3] Modivo S.A. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (74.69%) together with other Modivo group companies.
[4] On 26 July 2024, Branded Shoes and Bags Sp. z o.o. was liquidated.
[5] On 15 February 2024, Modivo S.A. registered Ecipo Modivo Kft., a new commercial company based in Budapest, Hungary. The entity is a wholly-owned subsidiary of Modivo S.A.
[6] On 14 February 2024, Modivo S.A. registered Fashion Tech Solutions Sp. z o.o., its new subsidiary based in Warsaw, Poland. The entity is a wholly-owned subsidiary of Modivo S.A. whose principal business consists in the sale of information and communication technology tools and the provision of software and IT services.
[7] Shoe Express S.A. shares are held by: CCC Shoes & Bags Sp. z o.o. (95%) and CCC.eu Sp. z o.o. (5%).
[8] DeeZee Sp. z o.o. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (75%).
[9] OFP Austria GmbH is a subsidiary of HalfPrice Sp. z o.o. (100%).

[10] On 5 February 2024, CCC S.A. registered CCC Tech Sp. z o.o., its subsidiary based in Polkowice. CCC Tech Sp. z o.o. was established to spin off IT services from the broader framework of the CCC Group. The principal business activity of the new company is the provision of IT services to CCC Group companies as well as to entities outside the CCC Group. For this purpose, an organised part of the enterprise was spun off within CCC.eu Sp. z o.o. and transferred to CCC Tech Sp. z o.o., in return for new shares.
[11] On 4 June 2024, conditions stipulated under the preliminary agreement to acquire 100% of shares in Rawaki Sp. z o.o. (of Warsaw, Poland), FirstDistribution s.r.o. (of Prague, the Czech Republic) and Boardriders s.r.o. (of Bratislava, Slovakia), signed on 10 May 2024 by the CCC Group, were fulfilled. The total purchase price for those companies was USD 4.8 million. The acquired companies carry out retail sales via an offline network comprising a total of 16 stores. The transaction will be accounted for during 2024. For the provisional accounting estimates, see Note 6.2.
[12] On 23 September 2024, HALFPRICE ESPAÑA, S.L. of Madrid, Spain, executed its Articles of Association, with CCC S.A. acquiring 100% of the shares in the new company. It was established to conduct retail operations under the HalfPrice brand in Spain.
[13] On 12 April 2023, the Management Board of HR Group filed for bankruptcy with the District Court of Osnabrück.
[14] Pronos Sp. z o.o. shares are held by CCC Shoes & Bags Sp. z o.o. (24.9%).

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 European Union ("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 31 January 2024, which were authorised for issue on 5 April 2024.

These 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 financial statements have been prepared on the assumption that the Group will continue as a going concern for the foreseeable future, that is for at least 12 months from the reporting date.

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

- CCC Business Unit (the CCC Group excluding the Modivo Business Unit); and separately for
- Modivo Business Unit (MODIVO S.A. and all its subsidiaries).

For this reason, further analyses were carried out separately for the CCC Business Unit and for the Modivo Business Unit.

As at 31 October 2024, the CCC Group's current liabilities exceeded its current assets by PLN 130.2 million, but, in the Management Board's opinion , this is not affecting the Group's ability to settle its liabilities as they fall due, as discussed in more detail below. As presented in Note 5.2 to these financial statements, the Group's operations are financed through financial instruments, including mainly credit facilities and bonds. Debt outstanding under those instruments as at the reporting date was approximately PLN 2,344.9 million. The CCC Group companies also use reverse factoring in settlements with suppliers, with the debt outstanding as at the reporting date of PLN 587.6 million. The aggregate of undrawn limits available under credit facility and guarantee facility agreements, and within the supplier finance programme, for the CCC Business Unit and Modivo Business Unit amounted to PLN 357.05 million and PLN 53.9 million, respectively.

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. Non-compliance with any of the covenants at the Modivo Business Unit is tantamount to a breach of the financing terms at the CCC Business Unit, and may potentially accelerate repayment of credit facilities with respect to which the Company is an obligor (debtor).

Based on the Annual Budget for 2024 and financial plans for subsequent periods prepared by the Management Board of CCC S.A., the Management Board expects – to the best of its knowledge – that the terms of the New Syndicated Agreement of 12 July 2024 and the other financing agreements will not be breached within the next 12 months.

Further delivery of the CCC Group's Annual Budget for 2024 and financial plans for future periods, including all initiatives, goals, plans and projections, is subject to future risks, described at length in the consolidated Directors' Report on the operations of the CCC Group in the financial year 2023, including risks related to macroeconomic developments, seasonal variations, consumer behaviour and the Group's industry. On the other hand, volatility on the financial markets may prevent an initial public offering of Modivo S.A. shares.

Going concern assessment of the CCC Business Unit

On 12 July 2024, CCC S.A., CCC.eu Sp. z o.o. and HalfPrice Sp. z o.o. executed a financing agreement for up to PLN 1.8 billion with a syndicate of banks (the "New Syndicated Agreement") to refinance debt outstanding under the Credit Facility Agreement of 2 June 2021 and to ensure continued financing for the CCC Business Unit. For detailed information on the New Syndicated Agreement, see Note 5.2 and Note 21 to the interim consolidated Directors' Report on the operations of the CCC Group in the nine months from 1 February 2024 to 31 October 2024.

In the Management Board's opinion, none of the financial covenants effective as at 31 October 2024 were breached.

The Management Board believes that the CCC Group's financial performance, strategy currently in place and cost optimisation measures help minimise the risks outlined above by diversifying and enhancing the product portfolio, which in turn will support delivery of the CCC Business Unit's Annual Budget for 2024 and financial plans for future periods as intended by the Management Board. For this reason, taking additionally into account appropriate sensitivity analyses, the Management Board does not foresee any breach of the financial covenants within the next 12 months.

Going concern assessment of the Modivo Business Unit

For information on how the Modivo Business Unit is financed, with details of the existing financing agreements, their amendments and terms, including the applicable financial covenants, see Note 5.2 and Note 21 to the interim consolidated Directors' Report on the operations of the CCC Group in the nine months from 1 February 2024 to 31 October 2024.

In the Management Board's opinion, as at the reporting date and the date of these financial statements, there were no breaches of the applicable financial covenants under the financing agreements.

31 October 2024 was the first testing date of the DSCR covenant, confirmed to be satisfied. The covenant is to be retested as at 31 January 2025, but the Management Board expects it will continue to be met. For the definition of the DSCR covenant, see Note 21.

The upcoming testing dates for the net financial debt to EBITDA ratio are 31 January 2025, when the ratio must not exceed 5.0 for the bonds issued to Softbank and 5.5 for the credit facility agreement with PKO BP S.A., and 31 July 2025, when it must not exceed 3.5. For the bond covenant, a breach occurs if the covenant is not met twice.

EBITDA monitored for covenant ratio calculations by the Modivo Business Unit for the nine months ended 31 October 2024 amounted to PLN 89.4 million (PLN 112.4 million for the bond covenants). As at that date, net financial debt was PLN 1,494.7 million. In the fourth quarter of 2024, the Modivo Business Unit must achieve an EBITDA of PLN 113 million for the bank covenants (PLN 105.6 million for the bond covenants), and in the following 12 months, i.e. to 31 July 2025, an EBITDA of PLN 9.3 million, in order to meet the financial covenants outlined above, assuming the projected net financial debt level. In the case of credit facilities maturing within 12 months, the Management Board plans to either extend their financing or, if repayment is required, considers such repayment feasible. Achievement of financial results at the levels indicated above is assessed by the Management Board as highly probable.

At the same time, the in-depth sensitivity analysis of the Annual Budget for 2024 and plans for future periods covering the next 12 months conducted by the Management Board of CCC S.A. has shown that even if a single of the following parameters deviates from the assumptions in the Annual Budget (with all the other factors remaining unchanged), the covenants will not be breached at any of the testing dates within at least the next 12 months (considering the waivers obtained).

The Management Board considered the risk of breaching the terms of financing agreements as at 31 July 2025 and 31 October 2025 to be low for the Modivo Business Unit.

Significant improvements in the performance of the Modivo Business Unit are expected, driven by the implementation of the following margin-enhancing measures:

- increasing the share of CCC products with very high margins;
- securing more favourable contracts for the supply of merchandise;
- wholesale transactions with very high margins;
- modifying the price reduction and discount policy;

as well as ancillary activities, which often achieve 100% margins:

- growing revenue (margins) from services provided to the CCC Business Unit;
- increasing Minimum Order Value (MOV) rates, which will lower delivery costs;
- discontinuing the Reserve & Collect programme and replacing it with the Click and Collect (CC) model, which will offer higher margins with reduced marketing expenses.

On the cost side, initiatives are being implemented to unlock synergies within the CCC Group, which significantly reduce the Modivo Business Unit's operating expenses.

These initiatives are closely aligned with the development directions set for the CCC Group, including the Modivo Business Unit, related, among other things, to business model streamlining and progressively realised intragroup synergies, market segmentation, the move to ramp up sales of high-margin licensed goods and expansion of the sales network.

If the actual performance comes in significantly below financial projections, for both the CCC Business Unit and the Modivo Business Unit, but still allows them to meet the financial covenants required by lenders, the Management Board believes each Business Unit may take a number of measures to improve the Group's financial performance in the short term, including the individual performance of the CCC and Modivo Business Units. Such measures include cost-saving initiatives beyond those planned in the Annual Budget, as well as further optimisation of the working capital and product portfolio towards high-margin goods. The available cost-saving measures for the CCC Business Unit include the effects of saving programmes implemented in the second half of 2023, reorganisations in the technology and expansion areas, further reduction of marketing expenses and savings from linking bonus schemes with financial performance. For the Modivo Business Unit, potential cost-saving measures include a review of its stores (leading to the closures of unprofitable or poorly performing outlets), optimisation of employment, abandonment of low-return consumer schemes with high advertising costs, as well as a fixed cost reduction programme. Additionally, given the consents obtained historically, as described in Note 5.2, the Management Board believes that it will be able to secure necessary agreements with financing institutions.

Additionally, the Management Board of CCC S.A. confirms that the execution of an IPO for Modivo S.A. remains a viable choice as part of its debt reduction strategy.

In conclusion, despite the risks mentioned above for both the CCC Business Unit and the Modivo Business Unit, the Management Board believes – based on the Annual Budget for 2024 and financial plans for future periods, including the analyses performed and available remedial measures – that there is no significant uncertainty as to the Company's and the Group's ability to continue as a going concern for the foreseeable future.

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

1. The CCC Group's reorganisation as its entire IT function was transferred to a newly established company – CCC TECH Sp. z o.o. Activities of the IT division did not constitute the principal business of CCC.EU Sp. z o.o. The transfer of the IT function to the separate company CCC TECH Sp. z o.o. represents a further step towards simplifying the Group's business structure, organising the functions of individual entities within the Group, unifying and standardising the organisational structure, and reducing inter-company transactions. The event had a significant impact exclusively on the Group's structure.
2. Acquisition of Rawaki Sp. z o.o., First Distribution s.r.o. and Boardriders s.r.o. For details of the acquisition of those companies, see Note 6.2.
3. Refinancing of the CCC Business Unit. For details of the changes and new financing structure, see Note 5.2.

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

Inventory write-downs

For more information, see Note 4.3.

Expected credit losses (ECL)

The Group assesses expected credit losses ("ECL") associated with financial instruments measured at amortised cost, 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.

No significant change in credit risk was identified with respect to those assets. As at 31 October 2024, the loss allowance for trade receivables was PLN 100.6 million (a PLN 0.3 million change relative to 31 January 2024). For further details, see Note 4.3.

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. The Group expects that the collectability of the receivables disclosed in the statement of financial position as at 31 October 2024, maturing in the coming months, will remain substantially unchanged.

Another group of assets exposed to credit losses are loans. As at each reporting date, the Group assesses whether there has been no significant increase in credit risk of the financial asset in the form of loans and whether there exists no objective evidence of impairment. For the purposes of this assessment, the Management Board analyses the risk of repayment of loans, taking into account the borrower's current financial condition. The Group measures the allowance for expected credit losses in an amount equal to 12-month expected credit losses. If the credit risk has increased significantly since initial recognition, the Group measures the loss allowance in an amount equal to lifetime expected credit losses. A credit loss allowance covering 100% of the exposure was recognised with respect to these assets in 2020.

For further information on the recognised loss allowances, see Note 4.3.

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

As at 31 July 2024, following an assessment of indications of impairment, impairment tests were conducted for cash-generating units (stores) or, at the higher level of aggregation, business lines, as well as impairment tests for goodwill and intangible assets with indefinite useful lives (trademarks). No additional impairment losses on these assets were recognised as at 31 October 2024. For more information, see Note 3.3.

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 the Directors' Report on the Group's operations under 'Covenants/financial ratios'. In the Management Board's opinion, as at 31 October 2024, 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.

On 26 March 2024, the General Meeting of CCC S.A. passed a resolution to transfer an organised part of the enterprise of CCC.EU Sp. z o.o. engaged in IT operations to a new company – CCC TECH Sp. z o.o., with effect from 1 April 2024. As a result, CCC.EU Sp. z o.o. acquired shares in the company in exchange for the transferred non-cash contribution (the organised part of the enterprise). The transaction had no effect on the Group's consolidated financial statements.

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 1 February 2023−31 January 2024, except for the application of new or amended standards and interpretations effective for annual periods beginning on or after 1 February 2024.

New and amended accounting standards

As of 1 February 2024, the Company is required to apply:

- amendments to IFRS 16 concerning lease liabilities in sale and leaseback transactions
- amendments to IAS 1 concerning the classification of liabilities as current or non-current
- amendments to IAS 7 and IFRS 7 concerning the disclosure requirements for supplier finance arrangements.

The amendments to IAS 7 and IFRS 7 addressing the disclosure requirements for supplier finance arrangements, once adopted by the European Union, will be applied by the Group in making disclosures on the extent to which it uses debt factoring arrangements, in addition to information previously disclosed in its consolidated financial statements, with the reservation that the resulting impact has been assessed as immaterial.

The other new and amended standards which apply for the first time in 2024 do not have a material impact on the Group's interim condensed consolidated financial statements.

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.

The Group changed the presentation of receipts from lease incentives in the consolidated statement of cash flows. Since 1 February 2024, these receipts have been presented within financing activities. The Group believes that this change accurately represents the impact as a reduction in payments made to the lessor, resembling repayment of the financing extended. To ensure data comparability, the comparative data was restated accordingly. Proceeds from settlement of leasehold improvements with landlords, presented in the statement of cash flows as at 31 October 2023 under cash flows from investing activities, in the amount of PLN 19.1 million, were reclassified to other cash provided by financing activities.

IMPACT OF CLIMATE CHANGE ON THE BUSINESS OF THE GROUP

Climate-related risks are assessed in terms of both the impact of climate change on ongoing operations and the impact of the Group’s business on climate change. The Management Board consistently analyses the impact of climate change, including new legal regulations related to climate issues, on the estimates and assumptions made in preparing the financial report, including for the period ended 31 October 2024. This assessment covers a broad range of potential impacts, including both physical and transition risks. Where applicable, the Group takes into account climate-related issues in its estimates and assumptions. In the opinion of the Management Board, climate-related issues do not currently, nor are they expected to in the short term, materially affect the Group's operations or the valuation of individual items in these financial statements. Significant assets of the Group consist of inventories, which the Group intends to sell in the course of its normal operating cycle, i.e. within 1 year, and the right to use stores (right-of-use assets) along with related investments in the stores (leasehold improvements), the typical useful life of which is up to 15 years. Conversely, for financial liabilities, the existing covenants related to climate or climate commitments do not entail the need to incur any substantial expenditures. As at the reporting date, the Group did not have any legal or customarily expected obligations related to climate issues that would necessitate the recording of a liability or a provision in the financial statement.

While physical and transition risks may impact the Group's operations in the future in the medium and long term, at present, they do not significantly affect asset recoverability or the valuation of liabilities presented in these financial statements.

Specifically, concerning asset impairment, the Group considers there are no indications that non-financial assets could be impaired due to physical risks associated with climate change, given the Group's minimal direct exposure to significant climate-related risks in this context. Simultaneously, the Group has determined that climate-related issues did not have a significant impact on the key assumptions adopted for the purpose of conducting impairment tests on non-financial non-current assets in 2024.

While potential changes could impact the seasonality of the Group’s sales, affecting the distribution and volume of revenue throughout the financial year – given that the primary business revolves around the sale of footwear and accessories, The Management Board expects that any lower-than-expected demand resulting from shifts in the sales of individual collections will be offset by increased sales in subsequent periods. Moreover, the Group mitigates the risk of weather affecting sales by primarily increasing the share of all-year offerings in its product portfolio, including sports footwear – both in the form of its own brands and well-recognised third-party brands, including under trademark use agreements, therefore this factor is not considered in its analyses.

Indirectly, the Group experiences the effects of climate change through its impact on stakeholders along the Group’s supply chain and climate-related clauses included in some of the Group’s financing agreements. Moving forward, the Group anticipates incorporating climate considerations into further financing and insurance contracts it will conclude in the course of its activities.

Throughout the financial year, the Group gathered environmental and social data, and a comprehensive overview of the CCC Group Sustainability Strategy is provided in the CCC Group Sustainability Report 2023.

FACTORS WITH MATERIAL BEARING ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

Revenue

The 10.2% year-on-year increase in omnichannel revenue posted by the Group for the nine months to 31 October 2024 was driven primarily by the roll-out of the omnichannel model, further growth of the HalfPrice segment, and a broader range of products available across segments.

Cost of sales

Cost of sales grew by 2.0% year on year in the reporting period, with revenue up by 10.2%, leading to a 3.9pp year-on-year increase in gross margin. This was due to the steadily expanded product portfolio, conservative pricing policy and lower level of discounting.

Costs of points of purchase and distribution

Costs of points of purchase and distribution fell by PLN 45.0 million (1.6%) year on year, The change was mainly caused by:

- PLN 24.8 million increase in other rental costs (variable costs: utilities, electricity, etc.) attributable to expansion of the sales channels;

- PLN 33.0 million increase in salaries, wages and employee benefits expense, being a consequence of development of the sales channels, mainly the HalfPrice segment and e-commerce within omnichannel;
- PLN 36.3 million increase in other costs, including mainly costs of logistics and warehouse services, IT maintenance, and advisory services;
- PLN 15.4 million decrease in advertising expenses due to cost discipline at the Group;
- PLN 14.1 million decrease in raw materials and consumables used, due to cost discipline at the Group, including a reduction in energy consumption achieved through the introduction of modern systems;
- PLN 13.7 million decrease in depreciation expense due to renegotiation of lease contracts – transitioning from fixed to sales-based rents.

Administrative expenses

Administrative expenses fell by PLN 48.5 million (16.5%) year on year. The change was mainly due to a decrease in salaries and wages expense (down by PLN 49.1 million).

Other expenses and income, and recognition / reversal of loss allowances (trade and other receivables)

Net other income (related to continuing operations) was PLN 33.9 million, up by PLN 18.9 million compared with the same period of the year before. In the nine months to 31 October 2024, foreign exchange losses on items other than debt were PLN 13.5 million, relative to foreign exchange gains of PLN 2.6 million recorded in the comparative period. The effect of foreign exchange fluctuations was mitigated by the gain on disposal of property, plant and equipment, which changed by PLN 19.3 million year on year. Another item whose change by PLN 10.8 million contributed positively to the net result was a reversal of loss allowances for trade and other receivables – in the reporting period the amount was PLN 2.4 million increasing other income, while in the corresponding period of the previous year there were loss allowances for trade receivables of PLN 8.4 million increasing other expenses. Net other income was further impacted by lease contract settlements, with a loss of PLN 0.8 million reported for the nine months ended 31 October 2024 compared with a gain of PLN 8.7 million posted for the same period last year (a change of PLN 9.5 million). In the period to 31 October 2024, a gain of PLN 8.0 million was recognised on the bargain purchase of Rawaki Sp. z o.o., FirstDistribution s.r.o. and Boardriders s.r.o. For details, see Note 6.2.

As a result, operating profit for the nine months to 31 October 2024 was PLN 741.1 million, compared with PLN 88.5 million reported for the comparative period.

Finance costs and income

Finance costs amounted to PLN 369.9 million, up by PLN 51.9 million year on year, driven mainly by:

- interest expense on borrowings and bonds of PLN 240.0 million, compared with PLN 232.1 million in the previous year;
- interest expense on leases, which rose by PLN 19.4 million year on year.

In the reporting period, finance income went down by PLN 70.3 million year on year, to PLN 2.3 million, as a result of:

- foreign exchange losses of PLN 8.2 million, versus foreign exchange gains of PLN 35.6 million in the comparative period;
- a fair value loss on the option to purchase non-controlling interests in Deezee of PLN 12.9 million (recorded under finance costs), relative to a gain of PLN 20.1 million in the comparative period (recorded under finance income). In addition, the result posted on remeasurement of the option to purchase non-controlling interests in Modivo S.A. was PLN 13.5 million in the reporting period, relative to PLN 6.6 million in the comparative period.

Net of income tax of PLN 89.9 million, the CCC Group posted net profit from continuing operations for the nine months ended 31 October 2024 of PLN 463.4 million, up by PLN 617.5 million year on year.

STATEMENT OF FINANCIAL POSITION

As at 31 October 2024, the CCC Group had total assets of PLN 9,213.7 million, up by PLN 1,867.7 million relative to 31 January 2024.

Non-current assets

As at 31 October 2024, non-current assets amounted to PLN 3,998.2 million, up by PLN 257.7 million on the end of the previous year. The change was mainly caused by:

- PLN 133.4 million increase in deferred tax assets;
- PLN 55.0 million increase in property, plant and equipment;
- PLN 35.0 million increase in intangible assets;
- PLN 27.2 million increase in long-term lease receivables;
- PLN 19.2 million increase in long-term receivables;
- PLN 1.4 million increase in goodwill; with concurrent
- PLN 13.5 million decrease in right-of-use assets.

As at the reporting date, intangible assets amounted to PLN 466.5 million and were PLN 35.0 million higher compared with 31 January 2024. The change was attributable mainly to expenditure of PLN 19.4 million on software supporting the e-commerce sales channel, and expenditure of PLN 55.6 million on intangible assets under development, related chiefly to the implementation of new technological solutions in the eobuwie and Modivo applications. The increase was offset by accrued amortisation of PLN 37.9 million.

As at the reporting date, goodwill amounted to PLN 201.1 million and was PLN 1.4 million lower compared with 31 January 2024, with the change attributable to foreign exchange differences.

Property, plant and equipment – leasehold improvements as at 31 October 2024 amounted to PLN 866.9 million, up by PLN 153.8 million on 31 January 2024. The change was mainly caused by:

- capital expenditure of PLN 205.4 million incurred in connection with the expansion of the retail business and development of the omnichannel model at the Group;
- depreciation of PLN 92.1 million;
- derecognised or sold leasehold improvements of PLN 18.4 million;
- foreign exchange losses of PLN 2.4 million;
- increase resulting from the acquisition of subsidiaries First distribution s.r.o., Boardriders s.r.o. and Rawaki Sp. z o.o. of PLN 1.4 million;
- reversal of an impairment loss of PLN 0.7 million;
- other changes, transfer of property, plant and equipment between groups resulting in a PLN 59.2 million increase.

Property, plant and equipment – distribution as at 31 October 2024 amounted to PLN 582.8 million, down by PLN 107.7 million on 31 January 2024. The change was mainly caused by:

- depreciation of PLN 32.1 million;
- expenditure of PLN 11.3 million related mainly to the extension of the K2 and K3 warehouse in Zielona Góra;
- transfer of property, plant and equipment between groups resulting in a PLN 72.6 million decrease (including from Distribution to Other in connection with the transfer of the organised part of the enterprise to CCC TECH Sp. z o.o. in the amount of PLN 21.4 million);
- recognition of an impairment loss of PLN 1.9 million;
- derecognised or sold assets of PLN 2.4 million;
- reclassification to assets held for sale of 10.0 million of assets sold, as discussed below.

Property, plant and equipment – other as at 31 October 2024 amounted to PLN 50.8 million, up by PLN 8.9 million on 31 January 2024. The change was mainly caused by:

- transfer of property, plant and equipment between groups in the amount of PLN 13.1 million (including from Distribution to Other in connection with the transfer of the organised part of enterprise to CCC TECH Sp. z o.o. resulting in a PLN 21.4 million increase in assets); with a concurrent PLN 8.3 million decrease in assets transferred from Distribution and their transfer to Leasehold improvements);
- depreciation of PLN 9.2 million;
- expenditure incurred of PLN 8.8 million;
- derecognised or sold assets of PLN 3.3 million;
- foreign exchange losses of PLN 0.5 million.

On 30 April 2024, CCC S.A. changed the presentation of its property in Słupsk as an asset available for sale in accordance with International Financial Reporting Standard 5 (IFRS 5). The asset was available for immediate sale in its present condition. The carrying amount of the property was PLN 11.9 million, while its recoverable amount was PLN 10 million, leading to the recognition of an impairment loss of PLN 1.9 million recorded under other expenses. On 4 June 2024, the property was sold for PLN 10.0 million.

Building K1 in Zielona Góra owned by Modivo S.A., classified as an asset held for sale as at 31 January 2024, was sold in the three months to 30 April 2024. The Group generated a gain on the sale of PLN 15.3 million, recognised under other income.

As at 31 October 2024, the right-of-use assets were PLN 1,386.6 million, down by PLN 13.5 million on 31 January 2024. The change was mainly attributable to:

- execution of new lease contracts for PLN 180.9 million;
- lease modifications resulting in a PLN 94.6 million increase;
- depreciation of PLN 280.6 million;
- reversal of an impairment loss on right-of-use assets of PLN 1.7 million;
- foreign exchange losses of PLN 10.1 million.

As at 31 October 2024, deferred tax assets amounted to PLN 382.1 million, up by PLN 133.4 million on 31 January 2024. This increase was mainly due to the recognition of an asset from tax losses and temporary differences in CCC.eu Sp. z o.o., resulting from the profits generated and budgeted by the company.

The PLN 27.2 million change in long-term lease receivables was attributable to newly signed sublease contracts for office space and payment of existing current receivables.

Long-term receivables increased to PLN 19.2 million, due to the long-term portion of commission fees on credit facilities and trademark use fees incurred in relation to future periods.

Current assets

Current assets rose by PLN 1,634.6 million relative to 31 January 2024, to PLN 5,215.5 million, and comprised mainly inventories of PLN 3,801.2 million (31 January 2024: PLN 2,911.6 million) and cash and cash equivalents of PLN 686.4 million (31 January 2024: (PLN 266.5 million). The change was mainly attributable to:

- PLN 889.6 million increase in inventories due to the stocking up for the autumn-winter 2024 season and portfolio additions of licensed goods. As at the reporting date, inventory write-downs amounted to PLN 61.2 million, representing a decrease of PLN 1.4 million compared with 31 January 2024;
- PLN 419.9 million increase in cash; with details of the changes disclosed in the statement of cash flows;
- PLN 152.5 million increase in trade receivables and PLN 180.2 million increase in other receivables, including by PLN 95.8 million in the case of prepaid deliveries of merchandise as well as taxes and public charges receivable (with a PLN 28.1 million increase in VAT).

Inventories comprise merchandise (PLN 3,784.7 million), materials (PLN 20.7 million), and returns assets received back from customers in connection with their right to return unused products (PLN 57.0 million).

As at the reporting date, impairment losses on trade receivables were PLN 100.6 million, down by PLN 0.3 million year on year. The impairment losses were related mainly to wholesale trade partners. For more information on impairment losses recognised in the reporting period, see Note 4.3.

Liabilities

Non-current liabilities rose by PLN 488.9 million, to PLN 2,448.2 million as at the reporting date.

As at 31 October 2024, non-current liabilities under bank borrowings and bonds amounted to PLN 1,100.1 million, having increased by PLN 423.5 million year on year as a result of debt refinancing. For detailed information, see Note 5.2.

As at the reporting date, other non-current liabilities, standing at PLN 3.0 million, related to security deposits.

As at 31 October 2024, other non-current financial liabilities totalled PLN 6.1 million and were entirely related to the measurement of a derivative financial instrument embedded in bonds issued to PFR (Equity Kicker). For more information, see Note 6.1.

Non-current and current lease liabilities went up by PLN 68.8 million relative to 31 January 2024. The change was attributable to a PLN 335.0 million increase due to contract modifications and addition of new contracts, as well as foreign exchange gains of PLN 3.8 million, with ongoing payments made under lease contracts (PLN 345.1 million), less interest accrued (PLN 75.1 million).

Current liabilities increased by PLN 933.6 million, to PLN 5,366.8 million as at the reporting date, and comprised mainly:

- trade and other payables, which rose by PLN 884.2 million relative to 31 January 2024 and amounted to PLN 2,704.4 million as at the reporting date. The change is attributable to the seasonal stocking-up effect at the Group;
- current liabilities under borrowings and bonds of PLN 1,244.8 million, which decreased by PLN 174.0 million year on year (PLN 1,418.8 million as at 31 January 2024) as a result of debt refinancing. For details, see Note 5.2;
- other current liabilities of PLN 614.4 million, which rose by PLN 151.7 million on the previous period. The increase was mainly attributable to a PLN 117.4 million increase in indirect taxes, customs duties and other payables, with a PLN 21.8 million decrease in amounts due to employees. In addition, accruals and deferred income, mainly related to the provision for future costs, increased by PLN 41.2 million. Returns liabilities fell in the reporting period by PLN 35.3 million, while liabilities under contracts with customers increased by PLN 47.8 million.

The PLN 25.9 million increase in short-term provisions was attributable to higher provisioning for returns and complaints.

Liabilities arising from the obligation to purchase non-controlling interests include liabilities related to the purchase of DeeZee Sp. z o.o., which changed by PLN 12.9 million relative to 31 January 2024, to PLN 24.0 million, of which PLN 11.8 million will be accounted for over 12 months from the reporting date. The instrument is measured at fair value. For details, see Note 6.1. The item also includes liabilities arising from the obligation to purchase 4.99% of Modivo shares, of PLN 195.0 million. The liability was recognised at the contractual amount on account of its due date.

The derivative financial instrument embedded in bonds convertible into Modivo shares (voluntary conversion option) is measured at fair value. The estimates and assumptions underlying the measurement did not change relative to those disclosed in the consolidated financial statements of the CCC Group for 2023. As at 31 October 2024, the instrument was measured at PLN 7.8 million and was presented as a current liability due to its expected exercise date. For more information, see Note 6.1.

Equity

As at 31 October 2024, equity stood at PLN 1,398.7 million, having increased by PLN 445.2 million on 31 January 2024 as a result of net profit of PLN 463.4 million recorded for the nine months to 31 October 2024. Additionally, the effect of the valuation of the Modivo incentive scheme of PLN 13.8 million (non-controlling interests) was taken to equity. For a description of the Modivo incentive scheme, refer to Note 6.4.

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 business lines and distinguishes:

- CCC;
- HalfPrice;
- Eobuwie;
- MODIVO, and
- DeeZee.

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 the 'Factors and events with a bearing on the performance of the CCC Group' section of the Directors' Report.

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

Reportable segment	Overview of the reportable segment's activities and performance metrics
CCC omnichannel sales – sales via the CCC websites and offline stores operating in the CCC chain, as well as distribution.	The Group sells footwear, clothing, handbags, shoe care accessories, and small clothing accessories via retail stores and websites, and on a wholesale basis to Polish and foreign franchisees and other wholesale customers. The distribution activities are conducted by CCC.eu, which distributes merchandise to and outside the Group.
HalfPrice omnichannel sales – sales via the HalfPrice websites and through offline retail stores operating within the HalfPrice chain.	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.
Eobuwie omnichannel sales – sales via the eobuwie websites and through the offline stores operating in the eobuwie.pl chain.	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.
MODIVO omnichannel sales – sales via the Modivo websites and retail stores operating in the MODIVO chain.	The activities are carried out by the Modivo Group, which distributes goods through the Modivo platform and offline stores. The Group sells clothing, footwear, handbags, shoe care accessories and small clothing accessories to Polish and foreign retail customers.
DeeZee sales – sales through the DeeZee online store and distribution.	The activities are carried out by DeeZee sp. z o.o., which distributes merchandise via online 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 measure of a segment's profit or loss is EBITDA, calculated as gross profit less costs of points of purchase and other distribution costs, administrative expenses and other expenses, plus other income, and (recognition) / reversal of loss allowances, adjusted for depreciation and amortisation. EBITDA is not a defined measure under IFRS, and therefore, the method of calculating EBITDA may vary among entities.

Assets of the reportable segments, regularly presented to the chief operating decision maker, comprise only inventories. Other assets and liabilities are monitored at the Group level and are not allocated to operating segments.

(all amounts in PLN million unless stated otherwise)

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

1 Feb 2024–31 Oct 2024 unaudited, unreviewed	CCC	HalfPrice	eobuwie	MODIVO	DeeZee	Total	Consolidation adjustments	Consolidated financial statements
Revenue from sales to external customers	3,260.0	1,248.5	2,316.6	733.5	62.8	7,621.4	–	7,621.4
Gross profit	**1,939.0**	**637.1**	**957.2**	**294.6**	**37.2**	**3,865.1**	**–**	**3,865.1**
Gross margin (gross profit on sales/revenue from sales to external customers)	*59%*	*51%*	*41%*	*40%*	*59%*	*51%*		*51%*
Costs of points of purchase and distribution	-1,266.6	-470.3	-876.9	-265.9	-32.4	-2,912.1	–	-2,912.1
Administrative expenses	-178.3	-19.6	-36.3	-8.4	-3.2	-245.8	–	-245.8
Other income and expenses, and (recognition) / reversal of loss allowances	4.9	1.6	27.6	–	-0.2	33.9	–	33.9
Operating profit (loss)	**499.0**	**148.8**	**71.6**	**20.3**	**1.4**	**741.1**	**–**	**741.1**
Depreciation/amortisation	-265.1	-103.4	-60.3	-16.0	-0.5	-445.3	–	-445.3
SEGMENT PROFIT (EBITDA)	**764.1**	**252.2**	**131.9**	**36.3**	**1.9**	**1,186.4**	**–**	**1,186.4**
Finance income								2.3
Other finance costs								-369.9
Profit (loss) before tax								**373.5**

Segment assets:	**31 Oct 2024**							
Inventories	**1,762.1**	**803.8**	**901.8**	**303.0**	**30.5**	**3,801.2**	**–**	**3,801.2**
in stores	708.6	388.4	93.9	2.6	–	1,193.5		
in the central warehouse	1,053.5	415.4	807.9	300.4	30.5	2,607.7		

1 Feb 2023–31 Oct 2023 unaudited, unreviewed	CCC	HalfPrice	eobuwie	MODIVO	DeeZee	Total	Consolidation adjustments	Consolidated financial statements
Revenue from sales to external customers	2,948.8	982.0	2,145.9	774.3	68.0	6,919.0	–	6,919.0
Gross profit	**1,634.0**	**409.1**	**859.5**	**295.1**	**37.2**	**3,234.9**	**–**	**3,234.9**
Gross margin (gross profit on sales/revenue from sales to external customers)	*55%*	*42%*	*40%*	*38%*	*55%*	*47%*		*47%*
Costs of points of purchase and distribution	-1,279.0	-399.7	-866.7	-292.8	-28.9	-2,867.1	–	-2,867.1
Administrative expenses	-188.5	-20.9	-61.5	-19.7	-3.7	-294.3	–	-294.3
Other income and expenses, and (recognition) / reversal of loss allowances	14.0	1.4	0.6	–	-1.0	15.0	–	15.0
Operating profit (loss)	**180.5**	**-10.1**	**-68.1**	**-17.4**	**3.6**	**88.5**	**–**	**88.5**
Depreciation/amortisation	-301.5	-78.5	-59.7	-13.1	-0.5	-453.3	–	-453.3
SEGMENT PROFIT (EBITDA)	**482.0**	**68.4**	**-8.4**	**-4.3**	**4.1**	**541.8**	**–**	**541.8**
Finance income								72.6
Other finance costs								-318.0
Profit (loss) before tax								**-156.9**

Segment assets:	**31 Jan 2024**							
Inventories	**1,181.8**	**659.0**	**810.7**	**239.8**	**20.3**	**2,911.6**	**–**	**2,911.6**
in stores	566.2	285.9	85.9	5.1	–	943.1		
in the central warehouse	615.6	373.1	724.8	234.7	20.3	1,968.5		

(all amounts in PLN million unless stated otherwise)

1 Aug 2024–31 Oct 2024 unaudited, unreviewed	CCC	HalfPrice	eobuwie	MODIVO	DeeZee	Total	Consolidation adjustments	Consolidated financial statements
Revenue from sales to external customers	1,198.7	465.6	805.0	277.2	24.4	2,770.9	–	2,770.9
Gross profit	**702.9**	**239.1**	**353.1**	**110.8**	**14.1**	**1,420.0**	**–**	**1,420.0**
Gross margin (gross profit on sales/revenue from sales to external customers)	*59%*	*51%*	*44%*	*40%*	*58%*	*51%*		*51%*
Costs of points of purchase and distribution	-456.9	-169.9	-281.5	-89.9	-11.7	-1,009.9	–	-1,009.9
Administrative expenses	-57.9	-6.6	-12.6	-3.5	-1.0	-81.6	–	-81.6
Other income and expenses, and (recognition) / reversal of loss allowances	-4.6	1.3	3.0	–	-0.2	-0.5	–	-0.5
Operating profit (loss)	**183.5**	**63.9**	**62.0**	**17.4**	**1.2**	**328.0**	**–**	**328.0**
Depreciation/amortisation	-92.9	-36.2	-16.2	-5.6	-0.1	-151.0	–	-151.0
SEGMENT PROFIT (EBITDA)	**276.4**	**100.1**	**78.2**	**23.0**	**1.3**	**479.0**	**–**	**479.0**
Finance income								-0.1
Other finance costs								-126.0
Profit (loss) before tax								**201.9**

1 Aug 2023–31 Oct 2023 unaudited, unreviewed	CCC	HalfPrice	eobuwie	MODIVO	DeeZee	Total	Consolidation adjustments	Consolidated financial statements
Revenue from sales to external customers	1,059.7	393.0	676.3	277.0	24.4	2,430.4	–	2,430.4
Gross profit	**616.1**	**181.6**	**261.1**	**102.0**	**13.2**	**1,174.0**	**–**	**1,174.0**
Gross margin (gross profit on sales/revenue from sales to external customers)	*58%*	*46%*	*39%*	*37%*	*54%*	*48%*		*48%*
Costs of points of purchase and distribution	-420.4	-150.3	-280.5	-101.0	-9.4	-961.6	–	-961.6
Administrative expenses	-60.2	-6.4	-24.7	-8.1	-1.2	-100.6	–	-100.6
Other income and expenses, and (recognition) / reversal of loss allowances	-28.4	0.2	-6.7	–	-0.7	-35.6	–	-35.6
Operating profit (loss)	**107.1**	**25.1**	**-50.8**	**-7.1**	**1.9**	**76.2**	**–**	**76.2**
Depreciation/amortisation	-94.5	-31.1	-22.9	-4.7	-0.1	-153.3	–	-153.3
SEGMENT PROFIT (EBITDA)	**201.6**	**56.2**	**-27.9**	**-2.4**	**2.0**	**229.5**	**–**	**229.5**
Finance income								-0.6
Other finance costs								-104.4
Profit (loss) before tax								**-28.8**

NON-CURRENT ASSETS (NET OF OTHER FINANCIAL ASSETS AND DEFERRED TAX)	31 Oct 2024 unaudited, unreviewed	31 Jan 2024 audited
Poland	2,202.2	2,110.9
Czech Republic	328.1	317.4
Hungary	152.6	164.4
Romania	360.9	329.9
Slovakia	119.1	107.1
Other	442.0	450.9
Total non-current assets (excluding other financial assets and deferred tax)	**3,604.9**	**3,480.6**

(all amounts in PLN million unless stated otherwise)

Revenue by geographical segment and by country:

Revenue		1 Feb 2024–31 Oct 2024						1 Feb 2023–31 Oct 2023					
		CCC	HalfPrice	eobuwie	MODIVO	DeeZee	Total	CCC	HalfPrice	eobuwie	MODIVO	DeeZee	Total
Poland	**Poland**	**2,166.1**	**914.6**	**1,013.3**	**243.6**	**62.8**	**4,400.4**	**1,919.8**	**739.1**	**832.3**	**240.4**	**68.0**	**3,799.6**
Central and Eastern Europe	Czech Republic	233.1	87.8	151.4	42.7	–	**515.0**	231.7	64.4	150.4	55.3	–	**501.8**
	Slovakia	150.5	37.7	71.9	24.4	–	**284.5**	141.8	31.8	65.7	28.6	–	**267.9**
	Hungary	194.1	36.3	94.6	20.9	–	**345.9**	200.5	33.9	114.8	28.3	–	**377.5**
	Romania	257.8	57.8	216.2	89.0	–	**620.8**	214.6	21.8	229.8	103.0	–	**569.2**
	Bulgaria	60.8	–	116.5	48.7	–	**226.0**	49.6	–	120.2	65.2	–	**235.0**
	Slovenia	33.8	18.3	18.2	5.4	–	**75.7**	35.4	19.4	19.6	6.1	–	**80.5**
	Croatia	76.8	6.3	59.2	18.3	–	**160.6**	70.0	7.2	58.0	19.2	–	**154.4**
	Lithuania	9.6	10.2	45.6	12.2	–	**77.6**	4.6	–	55.6	16.5	–	**76.7**
	Latvia	11.3	18.7	18.3	3.4	–	**51.7**	12.8	10.9	17.4	3.8	–	**44.9**
	Estonia	9.6	–	–	2.8	–	**12.4**	10.4	–	–	–	–	**10.4**
	Serbia	29.0	–	–	–	–	**29.0**	25.8	–	–	–	–	**25.8**
	Ukraine	27.5	13.4	27.8	82.9	–	**151.6**	31.7	–	38.7	72.3	–	**142.7**
	Total	**1,093.9**	**286.5**	**819.7**	**350.7**	**–**	**2,550.8**	**1,028.9**	**189.4**	**870.2**	**398.3**	**–**	**2,486.8**
Western Europe	Austria	–	47.4	13.4	3.4	–	**64.2**	0.1	53.5	9.1	3.0	–	**65.7**
	Switzerland	–	–	35.8	–	–	**35.8**	–	–	30.8	–	–	**30.8**
	Germany	–	–	152.6	36.4	–	**189.0**	–	–	120.8	41.6	–	**162.4**
	France	–	–	24.6	7.6	–	**32.2**	–	–	21.5	8.2	–	**29.7**
	Spain	–	–	16.3	–	–	**16.3**	–	–	9.9	–	–	**9.9**
	Italy	–	–	74.7	23.3	–	**98.0**	–	–	77.0	20.8	–	**97.8**
	Sweden	–	–	22.6	–	–	**22.6**	–	–	12.9	–	–	**12.9**
	Greece	–	–	143.6	68.5	–	**212.1**	–	–	161.4	62.0	–	**223.4**
	Total	**–**	**47.4**	**483.6**	**139.2**	**–**	**670.2**	**0.1**	**53.5**	**443.4**	**135.6**	**–**	**632.6**
CCC Group	**Total**	**3,260.0**	**1,248.5**	**2,316.6**	**733.5**	**62.8**	**7,621.4**	**2,948.8**	**982.0**	**2,145.9**	**774.3**	**68.0**	**6,919.0**

Revenue		1 Aug 2024–31 Oct 2024						1 Aug 2023–31 Oct 2023					
		CCC	HalfPrice	eobuwie	MODIVO	DeeZee	Total	CCC	HalfPrice	eobuwie	MODIVO	DeeZee	Total
Poland	**Poland**	**791.1**	**338.6**	**352.3**	**91.4**	**24.4**	**1,597.8**	**702.3**	**285.1**	**269.6**	**86.1**	**24.4**	**1,367.5**
Central and Eastern Europe	Czech Republic	86.9	32.8	51.7	16.2	–	**187.6**	80.9	31.7	47.3	17.6	–	**177.5**
	Slovakia	56.4	13.7	23.4	8.6	–	**102.1**	51.6	12.9	20.3	10.4	–	**95.2**
	Hungary	72.2	17.5	32.0	7.8	–	**129.5**	64.0	12.0	29.3	7.1	–	**112.4**
	Romania	95.8	20.5	76.3	34.8	–	**227.4**	77.7	17.5	68.8	35.4	–	**199.5**
	Bulgaria	23.0	–	41.5	18.7	–	**83.2**	18.1	–	39.0	22.6	–	**79.7**
	Slovenia	12.1	6.2	6.0	2.1	–	**26.4**	11.3	7.0	5.3	2.1	–	**25.7**
	Croatia	28.9	2.1	19.2	7.9	–	**58.1**	23.9	2.2	18.1	7.4	–	**51.6**
	Lithuania	3.9	3.4	15.7	4.5	–	**27.5**	1.8	–	14.9	5.0	–	**21.7**
	Latvia	4.1	7.3	6.8	1.1	–	**19.3**	4.9	4.4	6.3	1.5	–	**17.2**
	Estonia	3.7	–	–	1.3	–	**5.0**	3.8	–	–	–	–	**3.8**
	Serbia	10.5	–	–	–	–	**10.5**	8.8	–	–	–	–	**8.8**
	Ukraine	10.1	6.5	8.8	30.2	–	**55.6**	10.6	–	17.0	35.4	–	**63.1**
	Total	**407.6**	**110.0**	**281.4**	**133.2**	**–**	**932.2**	**357.4**	**87.7**	**266.4**	**144.6**	**–**	**856.1**
Western Europe	Austria	–	17.0	4.5	1.3	–	**22.8**	–	20.2	2.9	1.2	–	**24.3**
	Switzerland	–	–	13.0	–	–	**13.0**	–	–	6.6	–	–	**6.6**
	Germany	–	–	54.3	15.5	–	**69.8**	–	–	47.2	15.0	–	**62.2**
	France	–	–	8.7	2.7	–	**11.4**	–	–	5.9	2.7	–	**8.6**
	Spain	–	–	6.5	–	–	**6.5**	–	–	3.1	–	–	**3.1**
	Italy	–	–	23.1	8.8	–	**31.9**	–	–	19.7	5.9	–	**25.6**
	Sweden	–	–	8.6	–	–	**8.6**	–	–	4.0	–	–	**4.0**
	Greece	–	–	52.6	24.3	–	**76.9**	–	–	50.9	21.6	–	**72.4**
	Total	**–**	**17.0**	**171.3**	**52.6**	**–**	**240.9**	**–**	**20.2**	**140.3**	**46.3**	**–**	**206.8**
CCC Group	**Total**	**1,198.7**	**465.6**	**805.0**	**277.2**	**24.4**	**2,770.9**	**1,059.7**	**393.0**	**676.3**	**277.0**	**24.4**	**2,430.4**

The above information on revenue is derived from data related to the store location for offline sales and from the country to which the purchased goods are shipped for digital sales (e-commerce).

(all amounts in PLN million unless stated otherwise)

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

3.1. COSTS BY NATURE OF EXPENSE

1 Feb 2024–31 Oct 2024 unaudited, unreviewed	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise sold	-3,757.8	–	–	-3,757.8
Raw material and consumables used	–	-74.4	-21.6	-96.0
Inventory write-downs	1.5	–	–	1.5
Salaries, wages and employee benefits	–	-769.7	-86.2	-855.9
Transport services	–	-343.2	-0.8	-344.0
Other rental costs – utilities and other variable costs	–	-319.5	-11.9	-331.4
Advertising	–	-662.7	-0.4	-663.1
Depreciation/amortisation	–	-396.8	-48.5	-445.3
Taxes and charges	–	-37.9	-5.2	-43.1
Other costs	–	-307.9	-71.2	-379.1
Total	**-3,756.3**	**-2,912.1**	**-245.8**	**-6,914.2**

1 Feb 2023–31 Oct 2023 unaudited, unreviewed	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise and products sold	-3,678.2	–	–	-3,678.2
Raw material and consumables used	–	-88.5	-22.3	-110.8
Inventory write-downs	-6.0	–	–	-6.0
Salaries, wages and employee benefits	–	-736.7	-135.3	-872.0
Transport services	–	-343.3	-0.7	-344.0
Other rental costs – utilities and other variable costs	–	-294.7	-16.3	-311.0
Advertising	–	-678.1	-0.5	-678.6
Depreciation/amortisation	–	-410.5	-42.8	-453.3
Taxes and charges	–	-43.7	-3.9	-47.6
Other costs	–	-271.6	-72.5	-344.1
Change in products and work in progress	0.1	–	–	0.1
Total	**-3,684.1**	**-2,867.1**	**-294.3**	**-6,845.5**

1 Aug 2024–31 Oct 2024 unaudited, unreviewed	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise sold	-1,343.3	–	–	-1,343.3
Raw material and consumables used	–	-23.2	-5.7	-28.9
Inventory write-downs	-7.6	–	–	-7.6
Salaries, wages and employee benefits	–	-255.6	-29.1	-284.7
Transport services	–	-119.6	-0.5	-120.1
Other rental costs – utilities and other variable costs	–	-112.8	-2.8	-115.6
Advertising	–	-241.4	-0.2	-241.6
Depreciation/amortisation	–	-133.6	-17.4	-151.0
Taxes and charges	–	-13.4	-1.6	-15.0
Other costs	–	-110.3	-24.3	-134.6
Total	**-1,350.9**	**-1,009.9**	**-81.6**	**-2,442.4**

(all amounts in PLN million unless stated otherwise)

1 Aug 2023–31 Oct 2023 unaudited, unreviewed	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise and products sold	-1,272.8	–	–	-1,272.8
Raw material and consumables used	–	-21.4	-8.5	-29.9
Inventory write-downs	16.6	–	–	16.6
Salaries, wages and employee benefits	–	-250.8	-47.2	-298.0
Transport services	–	-112.3	-0.2	-112.5
Other rental costs – utilities and other variable costs	–	-100.9	-4.5	-105.4
Advertising	–	-224.9	-0.1	-225.0
Depreciation/amortisation	–	-138.5	-14.8	-153.3
Taxes and charges	–	-19.1	-1.3	-20.4
Other costs	–	-93.7	-24.0	-117.7
Change in products and work in progress	-0.2	–	–	-0.2
Total	**-1,256.4**	**-961.6**	**-100.6**	**-2,318.6**

3.2. OTHER INCOME AND EXPENSES, FINANCE INCOME AND COSTS

	1 Feb 2024–31 Oct 2024 unaudited, unreviewed	1 Feb 2023–31 Oct 2023 unaudited, unreviewed	1 Aug 2024–31 Oct 2024 unaudited, unreviewed	1 Aug 2023–31 Oct 2023 unaudited, unreviewed
Other income				
Gain on disposal of property, plant and equipment	17.8	–	2.0	–
Foreign exchange gains on items other than debt	–	2.6	–	–
Compensation	2.2	5.9	1.0	0.9
Reversal of impairment losses on non-current assets	–	–	–	–
PFRON wage subsidies	1.6	0.5	0.5	0.4
Gain on settlement of leasehold improvements with landlords	7.8	10.6	2.8	2.1
Gain on settlement of lease contracts	–	8.7	–	2.9
Reversal of CCC Germany provisions	0.1	9.1	–	–
Grants	0.4	0.3	0.4	0.1
Gain on bargain purchase	8.0	–	–	–
Other	27.5	12.7	10.8	6.0
Total other income	**65.4**	**50.4**	**17.5**	**12.4**

	1 Feb 2024–31 Oct 2024 unaudited, unreviewed	1 Feb 2023–31 Oct 2023 unaudited, unreviewed	1 Aug 2024–31 Oct 2024 unaudited, unreviewed	1 Aug 2023–31 Oct 2023 unaudited, unreviewed
Other expenses				
Loss on disposal of property, plant and equipment	–	-1.5	–	-1.7
Impairment losses on property, plant and equipment, intangible assets, and right-of-use assets	-1.9	–	–	–
Loss on settlement of lease contracts	-0.8	–	2.6	–
Interest and penalties	-2.4	-3.7	-0.5	-1.9
Foreign exchange losses on items other than debt	-13.5	–	-13.0	-29.2
Other	-15.3	-21.8	-7.0	-14.1
Total other expenses	**-33.9**	**-27.0**	**-17.9**	**-46.9**

(all amounts in PLN million unless stated otherwise)

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
(Recognition) / Reversal of loss allowances (trade and other receivables)				
Impairment losses on trade receivables	2.4	-8.4	-0.1	-1.1
(Recognition) / Reversal of expected credit loss allowances (trade and other receivables), total	**2.4**	**-8.4**	**-0.1**	**-1.1**

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
Finance income				
Interest income on cash in current account and other interest income	0.7	2.2	0.3	0.3
Foreign exchange gains (losses)	–	35.6	-0.4	–
Measurement of derivative financial instruments (forwards)	–	9.1	–	–
Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	0.5	1.5	–	–
Valuation of options to purchase non-controlling interests	–	20.4	–	-0.3
Other finance income	1.1	3.8	–	-0.6
Total finance income	**2.3**	**72.6**	**-0.1**	**-0.6**

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
Finance costs				
Interest on borrowings and bonds	-240.0	-232.1	-86.5	-79.1
Gain (loss) on modification of financial liability	-0.8	-9.0	–	–
Interest on leases	-75.1	-55.7	-26.0	-21.9
Foreign exchange gains (losses)	-8.2	–	-8.2	–
Commission fees paid	-8.5	-10.8	-2.4	-3.3
Valuation of options to purchase non-controlling interests	-26.4	-6.6	-4.6	–
Derivative financial instruments embedded in bonds convertible into Modivo shares − voluntary conversion option	-4.4	–	–	–
Other finance costs	-6.5	-3.8	1.7	-0.1
Total finance costs	**-369.9**	**-318.0**	**-126.0**	**-104.4**

3.3. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, GOODWILL AND RIGHTS-OF-USE ASSETS

As at 31 October 2024, the Group did not identify any additional indications of impairment of non-current assets. As at 31 July 2024, based on the adopted accounting policies and identified indications of impairment, the Group carried out impairment tests for intangible assets with indefinite useful lives, for goodwill and for certain cash-generating units, i.e. stores. In view of the indications of impairment, the Group also carried out impairment tests at an aggregated level, taking into account the corporate assets allocated to business lines (operating segments). The table below presents cash-generating units /groups of cash-generating units for which impairment tests were carried out:

	Operating segment (business line)	Group of cash-generating units (below operating segment level)	Cash-generating unit (store)
DeeZee segment (including goodwill and trademark)	X		
Eobuwie segment (including goodwill and trademark)	X		
MODIVO segment	X		
Stores (cash-generating units) for which indications of impairment were identified			X

Key underlying assumptions for impairment tests

The recoverable amount for each cash-generating unit or groups thereof, to which assets were allocated, was ascertained based on their value in use. This was calculated from a cash flow projection obtained from the assumptions underlying the Annual Budget for 2024 and financial plans for future years. Consideration was given to restrictions imposed by IAS 36 requirements, excluding any new investments or store openings. The assumptions used in preparing the Annual Budget for 2024 are detailed further in the 'Going concern' note. These assumptions include, in addition to the elements discussed below, the level of inflation and the exchange rates for the main foreign currencies (EUR and USD).

The main assumptions used to determine the value in use were:

- average EBITDA margin,
- expected revenue CAGR during the forecast period (five years),
- residual growth rate,
- 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.

Details of these assumptions are presented below in the sections dedicated to impairment testing at the different levels.

Impairment tests at the level of cash-generating units (store asset tests)

As at 31 July 2024, the Group identified indications of impairment of store assets and right-of-use assets for those stores that were loss making (at the EBIT level) in 2023 and 2024. Each store is a separate cash-generating unit and was tested for impairment separately. The number of stores tested for impairment in the current year was 27, compared with 40 in the previous financial year.

A projection period corresponding to the duration of the respective lease contract was adopted for each store. The following parameters were used to calculate the value in use:

- revenue per square metre of the store space and distribution costs,
- impact of changes in revenue on direct costs,
- target gross margin relative to revenue,
- 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 of the cash-generating unit.

The projections for revenue growth and gross margin levels in 2024 were based on the budgets for individual stores, consistent with the Group's Annual Budget for 2024, as subsequently updated. Revenue projections for the subsequent years, specifically 2025-2028, were established based on anticipated changes in key parameters compared to the baseline year of 2024, under the assumption that the Group will execute its growth plans in line with its primary strategic directions.

Changes in individual cost items were estimated based on the Budget for 2024, as subsequently amended . For the following years, estimates were made based on the projected inflation rates for each respective country as outlined in the strategy. The estimated changes in cost items were then adjusted to account for the expected benefits resulting from programmes aimed at improving store profitability.

In estimating the recoverable amount, the Management Board believes that no change within a reasonable range of possibilities for any of the key assumptions mentioned above would cause the carrying amount of the asset to significantly exceed its recoverable amount.

The tests revealed no need to recognise additional impairment losses on store assets in the three months ended 31 October 2024.

As at 31 July 2024 and 31 October 2024, the carrying amount of impairment losses on stores (primarily relating to leasehold improvements and right-of-use assets) totalled PLN 20.0 million, compared with PLN 22.7 million as at 31 January 2024. The change resulted from the use of impairment losses existing at the beginning of the period.

Impairment tests at the level of operating segments (business lines)

As it was impossible to allocate corporate assets on a reasonable and consistent basis to any cash-generating units, and due to the occurrence of indications of impairment described below, and also because of the goodwill allocation (the DeeZee segment and eobuwie segment), impairment tests were carried out at the level of business lines (operating segments), covering the corporate assets allocated to the business lines. For detailed information on the reportable segments, see Note 2.

As at the reporting date, the following segments were tested:

- DeeZee segment;
- MODIVO segment;
- eobuwie segment.

Impairment tests were specifically conducted for the MODIVO, eobuwie, and DeeZee business lines because these areas fell short of their budget targets due to broader macroeconomic conditions. The tests covered non-current assets allocated to each operating segment together with net working capital allocated to that segment. The recoverable amount was determined based on the value in use calculated using a cash flow projection related to sales of products through the respective business line (operating segment). The cash flow projection covered the years 2024 and 2025–2028.

(all amounts in PLN million unless stated otherwise)

The parameters used to calculate the value in use included:

- revenue and its key determinants, such as the footfall, conversion rate, shopping basket value and their changes in the successive years covered by the forecast;
- gross margin and its development driven by macroeconomic factors, such as foreign exchange rates and product offering;
- individual cost amounts, taking into account the impact of inflation and changes in key economic variables, in particular the increase in wages (including minimum wages).

The sales growth rate assumptions for the Modivo business line are based on a low comparative base (sales for the financial year ended 31 January 2024 amounted to PLN 1,108.0 million). This growth rate also takes into account the expansion of the loyalty programme and an anticipated rise in user sessions. These improvements will be driven by enhancements in the quality of collections while preserving advantageous pricing. Moreover, the efficiency of performance marketing investments is expected to improve through the use of artificial intelligence technologies in selecting channels for customer communication. Simultaneously, margins are anticipated to improve through the optimisation of inventory structure and a reduction in customer acquisition cost, driven by an increase in brand recognition.

For eobuwie, the tests assume a return to a growth trajectory in sales, mainly due to optimisation of the product portfolio structure throughout 2023 and in 2024, which resulted in a decrease in core profitability, and in turn led to a year-on-year decline in gross margin. This trend will be supported by the observed improvement in macroeconomic indicators, including consumer confidence and disposable income. We anticipate a return to profitability driven by continuous improvements in purchasing processes and operational efficiencies, including implementation of cost-saving programmes.

Factors affecting the recoverable amount are detailed in the section 'Key underlying assumptions for impairment tests' and apply uniformly across all the tests conducted. They are based on current performance trends with respect to the existing sales channels and expected demand for products sold by the Group, but will also take into account the effect of business decisions, including the cost base revision relative to 2024 and optimised inventory structure. In estimating the recoverable amount, including the growth rates and components affecting the discount rate, certain market- or industry-specific indicators were also used.

Key parameters based on the adopted assumptions were as follows:

31 Jul 2024	DeeZee	Modivo	eobuwie
Discount rate	10.5%	11.0%	11.0%
Average EBITDA margin	6.5%	9.7%	9.9%
Expected sales CAGR during the forecast period (five years)	2.0%	24.4%	14.3%
Residual growth rate	2.0%	2.0%	2.0%

The impairment tests were carried out as at 31 July 2024, revealing no need to recognise impairment losses.

In addition, a sensitivity analysis was carried out for the individual impairment tests, which showed their sensitivity to changes in key parameters. The amount by which key assumptions would have to change (taking into account the effect of such change on the other variables) in order for the recoverable amount to equal the carrying amount is presented in the table below:

31 Jul 2024	DeeZee	MODIVO	eobuwie
Increase in discount rate resulting in impairment loss	2.4pp	36.8pp	25.4pp
Decrease in average EBITDA margin resulting in impairment loss	1.0pp	6.7pp	5.9pp
Decrease in expected sales CAGR during the forecast period (5 years) resulting in impairment loss	0.3pp	2.7pp	2.2pp

As at the reporting date 31 January 2024, the following segments were tested:

- CCC segment;
- HalfPrice segment;
- DeeZee segment;
- MODIVO segment;
- eobuwie segment.

The impairment test for the CCC business line was carried out due to its failure to meet the budget as a consequence of macroeconomic factors, and covered non-current assets (excluding deferred tax assets and long-term investments) allocated to the CCC operating segment together with net working capital allocated to that segment. The recoverable amount was determined based on the value in use calculated using a cash flow projection related to sales of products and other operations conducted through the CCC business line (operating segment) based on its existing assets. The cash flow projection covered the years 2024 and 2025–2028.

The impairment test for the HalfPrice business line was carried out in connection with the allocation to that business line of certain corporate assets, and covered non-current assets (excluding deferred tax assets and long-term investments) allocated to the HalfPrice operating segment, together with net working capital allocated to that segment. The recoverable amount was determined based on the value in use calculated using a cash flow projection related to sales of products through the HalfPrice business line (operating segment) based on its existing assets. The cash flow projection covered the years 2024 and 2025–2028.

(all amounts in PLN million unless stated otherwise)

Impairment tests were specifically conducted for the MODIVO, eobuwie, and DeeZee business lines because these areas fell short of their budget targets due to broader macroeconomic conditions. The tests covered non-current assets allocated to each operating segment together with net working capital allocated to that segment. The recoverable amount was determined based on the value in use calculated using a cash flow projection related to sales of products through the respective business line (operating segment). The cash flow projection covered the years 2024 and 2025–2028.

The parameters used to calculate the value in use included:

- revenue and its key determinants, such as the footfall, conversion rate, shopping basket value and their changes in the successive years covered by the forecast,
- gross margin and its development driven by macroeconomic factors, such as the foreign exchange rates, product offering, individual cost amounts, taking into account the impact of inflation and changes in key economic variables, in particular the increase in wages (including minimum wages).

The projected results for the CCC business line, as required for the impairment tests, reflect the accelerated revenue growth compared with the growth in the financial year ended 31 January 2023, as detailed in Note 2. This expected growth is attributed to the enhancement of the appeal of the product range, the inclusion of a newly implemented portfolio of licensed and complementary products, and a favourable macroeconomic environment. Factors contributing to this favourable environment include improved consumer confidence, increased social benefits flows (notably the upward adjustment of the 500+ childcare benefit scheme), and rising wages (such as the increment in the statutory minimum wage). The estimated financial results also reflect an improvement in the EBITDA margin (17.3% in 2023) driven by an improved gross margin of 55.5% (increased share of current collections, resulting in lower discounting expense on promotions and sales, and the strengthening of the zloty that reduced unit product costs). We also expect to maintain strict cost discipline (cost reduction in 2023 was PLN 234.1 million relative to the previous financial year) by continuing to enhance the efficiency of in-store processes and preserving a fixed staff number for central functions.

The test for the DeeZee business line assumes further growth by expanding the available product offering and developing the e-commerce sales channel, including by changing the geographical coverage.

The assumptions for the Modivo business line’s sales growth rate are based on a low comparative base (sales for the financial year ended on 31 January 2023 were PLN 1,091 million). This growth rate also takes into account the expansion of the loyalty programme and an anticipated rise in user sessions, attributable to enhancements in the quality of collections while preserving advantageous pricing. Moreover, the efficiency of performance marketing investments is expected to improve through the use of artificial intelligence technologies in selecting channels for customer communication. Simultaneously, margins are anticipated to improve through the optimisation of inventory structure and a reduction in customer acquisition cost, driven by an increase in brand recognition.

For eobuwie, the tests assume a return to a growth trajectory in sales (in the financial year ended 31 January 2023, sales fell by 7.8% year on year), mainly due to optimisation of the inventory structure throughout 2023, which resulted in a decrease in core profitability, and in turn led to a year-on-year decline in gross margin by 2.5 percentage points. This trend will be supported by the observed improvement in macroeconomic indicators, including consumer confidence and disposable income. We anticipate a return to profitability driven by continuous improvements in purchasing processes and operational efficiencies, including implementation of cost-saving programmes (in 2023, the EBITDA margin was -1.6%).

Factors affecting the recoverable amount are detailed in the section ‘Key underlying assumptions for impairment tests’ and apply uniformly across all the tests conducted. They are based on current performance trends with respect to the existing sales channels and expected demand for products sold by the Group, but will also take into account the effect of business decisions, including the cost base revision relative to 2023 and optimised inventory structure. In estimating the recoverable amount, including the growth rates and components affecting the discount rate, certain market- or industry-specific indicators were also used.

Key parameters based on the adopted assumptions were as follows:

31 Jan 2024	CCC	HalfPrice	DeeZee	Modivo	eobuwie
Discount rate	11.0%	11.0%	11.0%	11.0%	11.0%
Average EBITDA margin	18.8%	16.6%	7.7%	10.1%	9.4%
Expected sales CAGR during the forecast period (five years)	5.3%	6.0%	2.0%	18.6%	11.9%
Residual growth rate	2.0%	2.0%	2.0%	2.0%	2.0%

The impairment tests were carried out as at 31 January 2024, revealing no need to recognise impairment losses.

In addition, a sensitivity analysis was carried out for the individual impairment tests, which showed their sensitivity to changes in key parameters.

(all amounts in PLN million unless stated otherwise)

The amount by which a key assumption would have to change (taking into account the effect of such change on the other variables) in order for the recoverable amount to equal the carrying amount is presented in the table below:

31 Jan 2024	CCC	HalfPrice	DeeZee	Modivo	eobuwie
Increase in discount rate resulting in impairment loss	14.4pp	17.8pp	62.7pp	40.4pp	24.1pp
Decrease in average EBITDA margin resulting in impairment loss	4.7pp	2.1pp	3.2pp	6.7pp	5.7pp
Decrease in expected sales CAGR during the forecast period (5 years) resulting in impairment loss	2.7pp	4.3pp	2.9pp	5.9pp	4.2pp

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

4.1. PROVISIONS

unaudited, unreviewed	PROVISION FOR JUBILEE AND RETIREMENT BENEFITS	PROVISION FOR RETURNS AND COMPLAINTS	PROVISION FOR LITIGATION	OTHER PROVISIONS	TOTAL
As at 1 Feb 2024	**16.5**	**4.8**	**0.2**	**0.6**	**22.1**
short-term	3.7	4.8	0.2	0.6	9.3
long-term	12.8	–	–	–	12.8
As at 1 Feb 2024	**16.5**	**4.8**	**0.2**	**0.6**	**22.1**
Recognised	0.5	25.6	–	0.9	27.0
Used	–	-0.2	–	–	-0.2
Reversed	–	-0.6	-0.1	–	-0.7
As at 31 Oct 2024	**17.0**	**29.6**	**0.1**	**1.5**	**48.2**
short-term	4.0	29.6	0.1	1.5	35.2
long-term	13.0	–	–	–	13.0

audited	PROVISION FOR JUBILEE AND RETIREMENT BENEFITS	PROVISIONS FOR WARRANTY REPAIRS	PROVISION FOR LITIGATION	OTHER PROVISIONS	TOTAL
As at 1 Feb 2023	**16.7**	**8.7**	**1.5**	**0.6**	**27.5**
short-term	3.7	8.7	1.5	0.6	14.5
long-term	13.0	–	–	–	13.0
As at 1 Feb 2023	**16.7**	**8.7**	**1.5**	**0.6**	**27.5**
Recognised	3.7	1.8	–	46.1	51.6
Used	-3.0	-5.5	–	–	-8.5
Reversed	-0.9	-0.2	-1.3	-46.1	-48.5
As at 31 Jan 2024	**16.5**	**4.8**	**0.2**	**0.6**	**22.1**
short-term	3.7	4.8	0.2	0.6	9.3
long-term	12.8	–	–	–	12.8

(all amounts in PLN million unless stated otherwise)

4.2. DEFERRED TAX ASSETS AND LIABILITIES

	31 Oct 2024	RECOGNISED / (CHARGED) ON PROFIT OR LOSS	1 Feb 2024
Assets			
Trademarks	–	–	–
Inventories – adjustment of margin on intra-group sales	15.2	5.4	9.8
Impairment losses/write-downs on assets: inventories and receivables	8.3	0.7	7.6
Impairment of property, plant and equipment (leasehold improvements), rights-of-use assets and intangible assets	1.0	1.0	–
Provisions for liabilities	61.6	44.8	16.8
Special economic zone relief	41.3	-3.9	45.2
Other	57.3	3.0	54.3
Tax losses	164.2	87.6	76.6
Measurement of lease contracts	339.2	6.6	332.6
Total before offset	**688.1**	**145.2**	**542.9**
Liabilities			
Accelerated tax depreciation of property, plant and equipment	18.2	16.4	1.8
Other	13.1	1.8	11.3
Purchase of intangible assets disclosed on acquisition of subsidiaries	30.7	0.1	30.6
Measurement of lease contracts	288.3	6.4	281.9
Total before offset	**350.3**	**24.7**	**325.6**
Offset	306.0	11.8	294.2
Deferred tax balances as disclosed in statement of financial position			
Assets	382.1	133.4	248.7
Liabilities	44.3	12.9	31.4

	31 Jan 2024	RECOGNISED / (CHARGED) ON PROFIT OR LOSS	1 Feb 2023
Assets			
Trademarks	–	-7.2	7.2
Inventories – adjustment of margin on intra-group sales	9.8	1.2	8.6
Impairment losses/write-downs on assets: inventories and receivables	7.6	2.5	5.1
Impairment of property, plant and equipment (leasehold improvements), rights-of-use assets and intangible assets	–	-1.4	1.4
Provisions for liabilities	16.8	-6.3	23.1
Special economic zone relief	45.2	-5.0	50.2
Other	54.3	10.6	43.7
Tax losses	76.6	76.6	–
Measurement of lease contracts	332.6	21.6	311.0
Total before offset	**542.9**	**92.6**	**450.3**
Liabilities			
Accelerated tax depreciation of property, plant and equipment	1.8	1.8	–
Other	11.3	0.6	10.7
Purchase of intangible assets disclosed on acquisition of subsidiaries	30.6	-1.0	31.6
Measurement of lease contracts	281.9	24.2	257.7
Total before offset	**325.6**	**25.6**	**300.0**
Offset	294.2	28.0	266.2
Deferred tax balances as disclosed in statement of financial position			
Assets	248.7	64.6	184.1
Liabilities	31.4	-2.4	33.8

SIGNIFICANT ESTIMATES REGARDING RECOGNITION OF 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.

As at 31 January 2024, recognised deferred tax assets on tax losses from prior years were PLN 45.6 million for CCC S.A. and PLN 31.0 million for Modivo S.A. This year, the Management Board of CCC S.A. re-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 historical data and an analysis of the growth forecasts for the Group companies. Therefore, as at 31 October 2024, an additional tax loss asset was recognised for CCC.eu Sp. z o.o., amounting to PLN 103.0 million, while Modivo S.A. utilised an asset of PLN 15.4 million.

As at the reporting date, deferred tax assets on tax losses from prior years were PLN 45.6 million for CCC S.A., PLN 15.5 million for Modivo S.A. and PLN 103.0 million for CCC.eu Sp. z o.o.

In the previous year, CCC.eu Sp. z o.o. did not recognise any assets on tax losses incurred on operating activities in 2020 (an asset of PLN 94.9 million), 2021 (an asset of PLN 48.1 million) and 2022 (an asset of PLN 40.6 million), totalling PLN 183.6 million. This year, the Management Board resolved to recognise the deferred tax asset given a significant improvement in financial performance, positive tax results from the previous year and budgeted profits for the upcoming years. As at 31 October 2024, CCC.eu Sp. z o.o. had utilised PLN 80.6 million of the total PLN 91.8 million in tax losses available for utilisation in 2024. The Management Board is of the opinion that this provides a reasonable basis for recognising the balance of the asset of PLN 103.0 million as at 31 October 2024.

CCC S.A. recognised a tax loss asset of PLN 45.6 million in prior years, relating to the equity basket in the income tax calculation of the tax group. The asset relates to capital losses generated in previous years: 2021 (PLN 3.3 million), 2022 (PLN 29.0 million) and 2023 (PLN 13.3 million). The Management Board expects that capital gains sufficient to offset the recognised tax loss will be generated within the tax group.

As at 31 January 2024, Modivo S.A. recognised a tax loss asset pertaining to a loss of PLN 163.1 million incurred in 2023 resulting in a deferred tax asset of PLN 31.0 million. As at 31 October 2024, the company had utilised PLN 15.4 million of that asset to offset tax on taxable profits generated in the nine months to 31 October 2024. The Management Board expects that half of the tax losses from prior years to be utilised in the current tax year, with the remaining half to be used in the following year.

As at the reporting date, the unrecognised deferred tax asset stood at PLN 57.4 million and related to tax losses incurred in prior years by CCC Shoes & Bags d.o.o. Beograd, with the asset amounting to PLN 4.6 million, tax losses incurred in the current period by CCC Tech Sp. z o.o., with the asset amounting to PLN 6.9 million, and debt financing costs incurred by CCC.eu Sp. z o.o. and CCC S.A., with their effect on deferred tax amounting to PLN 38.8 million and PLN 11.4 million, respectively, which were excluded from the tax base in previous years due to the debt financing cost limit calculated in accordance with Art. 15c of the Corporate Income Tax Act. Under current regulations, the period when the tax losses of the said companies and the debt financing costs limited in previous periods can be utilised is five years. Given the uncertainty regarding the extent to which these temporary differences will be utilised, the Management Board decided not to recognise a deferred tax asset for these items in the current period.

MINIMUM TAX – PILLAR TWO MODEL RULES

The Group is subject to Pillar Two regime. Pillar Two rules have been implemented in Austria, Bulgaria, Croatia, the Czech Republic, Germany, Hungary, Italy, Romania, Slovakia, Slovenia, and Switzerland, entering into force for fiscal years beginning on or after 31 December 2023.

The Group applies the exception concerning the recognition and disclosure of information about deferred tax assets and liabilities related to minimum global tax (Pillar Two), as per the amendments to IAS 12 issued in May 2023.

Pursuant to local Pillar Two regulations, the Group is liable to pay a top-up tax equal to the difference between the jurisdictional GloBE effective tax rate (ETR) and the 15% minimum rate.

The Group is currently evaluating its exposure to Pillar Two regulations in the jurisdictions where it has subsidiaries. Based on preliminary tests under the Pillar Two safe harbour rules, the Group expects that the jurisdictions (excluding Poland) where it has subsidiaries may benefit from safe harbour provisions, meaning that they will not be liable to pay top-up taxes in any of these jurisdictions. The tests were conducted using accounting data as at 31 October 2024, as we believe this data provides the most accurate reflection of the companies' financial position and enables reliable and meaningful testing. It is anticipated that the results for the fourth quarter of 2024 will not significantly affect the conclusions.

As for the Group companies operating in Poland, given that the top-up tax regulations come into effect only in 2025 and the Group has no intention of applying these regulations retroactively (to the 2024 financial year), the Polish companies will not be subject to the top-up taxation in 2024.

The Group will keep track of the Pillar Two legislative process in each of the relevant jurisdictions and the analysis will be updated accordingly.

(all amounts in PLN million unless stated otherwise)

4.3. CHANGE IN IMPAIRMENT LOSSES/WRITE-DOWNS ON ASSETS AND IN LOSS ALLOWANCES

Impairment losses	PROPERTY, PLANT AND EQUIPMENT – OTHER	PROPERTY, PLANT AND EQUIPMENT – LEASEHOLD IMPROVEMENTS	RIGHT-OF-USE ASSETS	GOODWILL	INVENTORIES	TRADE RECEIVABLES	OTHER RECEIVABLES	LOANS
As at 1 Feb 2024	**–**	**6.6**	**16.1**	**21.8**	**62.6**	**100.9**	**0.7**	**130.2**
Increase	–	–	–	–	30.7	1.4	–	–
Used	–	–	–	–	0.1	-0.2	–	–
Reversed	–	-0.7	-1.7	–	-32.2	-3.8	–	–
Other	–	-0.2	-0.3	–	–	2.3	–	–
As at 31 Oct 2024	**–**	**5.7**	**14.1**	**21.8**	**61.2**	**100.6**	**0.7**	**130.2**

audited	PROPERTY, PLANT AND EQUIPMENT – OTHER	PROPERTY, PLANT AND EQUIPMENT – LEASEHOLD IMPROVEMENTS	RIGHT-OF-USE ASSETS	GOODWILL	INVENTORIES	TRADE RECEIVABLES	OTHER RECEIVABLES	LOANS
As at 1 Feb 2023	**0.1**	**5.3**	**19.8**	**21.8**	**70.4**	**100.8**	**0.9**	**130.2**
Increase	–	3.4	0.6	–	38.7	10.4	–	–
Used	–	-1.6	-0.7	–	-8.4	-5.0	–	–
Reversed	–	-0.2	-2.2	–	-38.1	-6.3	-0.2	–
Other	-0.1	-0.3	-1.4	–	–	1.0	–	–
As at 31 Jan 2024	**–**	**6.6**	**16.1**	**21.8**	**62.6**	**100.9**	**0.7**	**130.2**

5. DEBT; CAPITAL AND LIQUIDITY MANAGEMENT

5.1. 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 Financial Exposure ratio for the CCC Business Unit must be maintained below 2.0, and for the Group (with the Listing proceeds excluded) – below 3.5; while the projected ratios after dividend payment must not exceed 2.5 for the CCC Business Unit and 3.5 for the Group. In addition, no Event of Default or risk of an Event of Default may occur as a result of dividend payment.

For detailed information on the financial ratios and the dividend policy, see the interim condensed consolidated Directors’ Report on the operations of the CCC Group. 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, among other metrics. 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. For detailed information on these metrics, refer to the ‘Management of financial resources and liquidity’ section in the interim condensed consolidated Directors’ Report on the operations of the CCC Group.

Earnings (loss) per share

In the nine months ended 31 October 2024, basic and diluted earnings per share on continuing operations were PLN 7.07. In the nine months ended 31 October 2023, basic and diluted loss per share on continuing operations was PLN 1.56.

5.2. BANK BORROWINGS AND BONDS

As agreed with the institutions providing financing for the CCC Business Unit, the Group reduced the CCC Business Unit’s debt by a total of PLN 320.0 million (PLN 50.0 million in 2022 and PLN 270.0 million in 2023). For details, see the consolidated financial statements of the CCC Group for the 12 months from 1 February 2023 to 31 January 2024. The last reduction of credit facility and factoring limits took place on 30 November 2023 (as announced in Current Report No. 60/2023 of 30 November 2023), followed on 21 March 2024 by early pari passu redemption of 20,565 Series 1/2018 (CCC0626) bonds of CCC S.A. with a nominal value of PLN 20.6 million.

On 24 April 2024, Modivo S.A. signed a credit facility agreement with Bank Polska Kasa Opieki S.A. whereby the availability period of the multi-purpose credit facility up to a total amount of PLN 260.0 million contracted on 26 October 2017 was extended for the next 12 months, i.e. until 29 April 2025, its other terms and conditions unchanged (see Current Report No. 14/2024).

On 12 July 2024 (as announced in Current Report No. 23/2024), CCC S.A. and certain subsidiaries of the CCC Group signed a credit facilities agreement for up to PLN 1.8 billion to refinance existing debt and finance the operations of the CCC Business Unit. The agreement was entered into with BNP Paribas Bank Polska S.A., the European Bank for Reconstruction and Development (EBRD), Bank Polska Kasa Opieki S.A. (the Security Agent), Powszechna Kasa Oszczędności Bank Polski S.A., Santander Bank Polska S.A., mBank S.A. (the Facility Agent and ESG Agent) and Bank Handlowy w Warszawie S.A. The facilities are partly secured with guarantees issued by KUKE (the Polish export credit agency), up to a total of PLN 750.0 million.

The borrowers CCC S.A., HalfPrice Sp. z o.o. and CCC.eu Sp. z o.o. have been granted:

1. a term credit facility of PLN 600.0 million amortised over a period of five years (to be disbursed in two tranches of PLN 450.0 million in July 2024 and PLN 150.0 million in December 2024);
2. a working capital facility in the form of a revolving facility, overdraft facility, and limits on reverse factoring, guarantees and letters of credit, up to a total amount of PLN 1.2 billion, available for a period of two years, to be optionally extended up to five years.

The facilities have been utilised to repay existing debt towards banks financing the operations of the CCC Business Unit, while the tranche scheduled for disbursement by 31 December 2024 will be used by CCC S.A. to redeem its Series 1/2018 (CCC0626) bonds issued pursuant to the 'Terms and Conditions of the Bonds' dated 21 June 2018. However, the bonds are presented as non-current liabilities in these financial statements as they formally mature on 29 June 2026.

In addition, the CCC Business Unit has at its disposal a term credit facility of up to PLN 360.0 million for the redemption of bonds issued to PFR and financing of a new logistics warehouse of HalfPrice Sp. z o.o., which the banks may grant subject to consent of the majority lenders.

Companies standing surety for the borrowers' liabilities are CCC.eu Sp. z o.o., HalfPrice Sp. z o.o., CCC Shoes & Bags Sp. z o.o., CCC Tech Sp. z o.o., CCC Czech, s.r.o., CCC Hungary Shoes Kft. and Shoe Express S.A.

Under the New Syndicated Agreement, the available financing was increased to a total limit above the previous one of PLN 1.2 billion, specifically by increasing the limits on bank guarantees, letters of credit, and reverse factoring. As intended, the execution of the new financing agreement has significantly enhanced the structure of the CCC Business Unit's bank debt. The new financing structure offers greater flexibility to the CCC Business Unit, including through increased limits on bank guarantees, letters of credit, and reverse factoring. It also reduces financing costs and raises the limits on available capital expenditures.

As part of the refinancing process, on 31 July 2024 proceeds of the new financing agreement were used by CCC.eu Sp. z o.o. to repay debt outstanding at CCC S.A. under a PLN 250.0 million short-term credit facility with a surety from BGK. As a consequence, CCC S.A. offset the resulting liability related to the debt settlement by CCC.eu Sp. z o.o. against its receivables under a loan in the same amount advanced to CCC.eu Sp. z o.o.

The remaining debt under the previous financing agreement pertained to CCC.eu Sp. z o.o. and was fully settled by the Facility Agent and ESG Agent as part of settlements between banks forming the syndicate. As part of the new refinancing arrangement, on 31 July 2024 PLN 542.6 million (including PLN 79.6 million in an overdraft facility) was settled, and PLN 801.4 million (including PLN 133.4 million in an overdraft facility) was received.

The Group views this refinancing as the settlement of the original credit facility (resulting in the extinguishment of the liability) and the establishment of a new credit facility. This view is supported by the following factors:

- material qualitative changes to the credit facility agreement (including adjustments to the margin, parties involved, limits and restrictions, ESG-linked provisions, and the obligations of each party);
- the purpose of the refinancing (which is to secure new funding to meet day-to-day business needs, general corporate needs, and capital expenditures, rather than to restructure debt due to financial distress);
- the term of the new credit facility agreement (which is at least as long as the original facility);
- repayment of the original credit facility shortly before its maturity;
- transaction costs that are clearly incremental relative to the issuance of new debt.

The previous credit facility agreement allowed the Group to prepay without incurring additional costs.

The interest rate on the facilities is based on WIBOR plus a margin whose level depends on the Net Exposure to EBITDA ratio.

The syndicated credit facilities are secured by a common security package, which includes:

- KUKE guarantees of up to PLN 750.0 million;

(all amounts in PLN million unless stated otherwise)

- registered pledges over sets of assets and rights forming an organised whole with variable composition, comprised in a business, as well as selected assets, trademarks and inventories of CCC S.A. and the surety providers;
- registered and financial pledges over shares in CCC's subsidiaries that are the surety providers and over shares in Modivo S.A.;
- registered and financial pledges over bank accounts maintained for CCC S.A. and the surety providers (including powers of attorney over such accounts);
- assignments by way of security of the rights of CCC S.A. and the surety providers under selected insurance contracts;
- mortgages over property of CCC S.A. and CCC.eu Sp. z o.o.; and
- notarised consent to enforcement submitted by CCC S.A. and the surety providers.

The financing terms under the New Syndicated Agreement require the CCC Business Unit to maintain its Net Financial Exposure ratio – as at 31 October 2024 and for each subsequent quarter – at no more than 3.5, its Payments Coverage ratio, DSCR and cash – as at 31 January 2025 and for each subsequent quarter – at no less than 1.2, no less than 1.5, and no less than PLN 160 million, respectively, as well as its annual Capital Expenditure (for the ending year) at no more than PLN 275 million (or PLN 400 million if the Net Financial Exposure ratio falls below 2.0). The financial ratios applicable under the Terms and Conditions of CCC S.A. Bonds did not change.

The available limits as at the date of the new financing agreement are presented in the table below.

Bank	Tranche A (term facility)	Tranche B (overdraft facility)	Tranche B (revolving facility)	Tranche B (reverse factoring)	Tranche B (bank guarantee facility)	Tranche C (refinancing of bonds issued to PFR)	Total
BNP Paribas /BNP Faktoring	*17.3*	*42.0*	*41.0*	*125.0*	*42.0*	*–*	*267.3*
*Citibank**	*34.7*	*–*	*82.0*	*–*	*–*	*–*	*116.7*
EBRD	*225.0*	*–*	*–*	*–*	*–*	*–*	*225.0*
mBank/mFaktoring	*30.0*	*25.0*	*15.0*	*90.0*	*30.0*	*–*	*190.0*
Pekao S.A.	*35.2*	*50.0*	*18.0*	*122.0*	*28.0*	*–*	*253.2*
PKO BP/PKO Faktoring	*70.3*	*30.0*	*42.0*	*133.0*	*40.0*	*–*	*315.3*
Santander/Santander Factoring	*37.5*	*35.0*	*20.0*	*130.0*	*60.0*	*–*	*282.5*
Total limit	**450.0**	**182.0**	**218.0**	**600.0**	**200.0**	**–**	**1,650.0**
Additional disbursement in December 2024	*150.0*	*–*	*–*	*–*	*–*	*–*	*150.0*
Total available limit	**600.0**	**182.0**	**218.0**	**600.0**	**200.0**	**–**	**1,800.0**
Additional disbursement subject to consent of the banks	*–*	*–*	*–*	*–*	*–*	*360.0*	*360.0*
Total potential limit under the new syndicated agreement	**600.0**	**182.0**	**218.0**	**600.0**	**200.0**	**360.0**	**2,160.0**

Financing within the Modivo Business Unit comprises credit liabilities and bank guarantee limits, with maturity dates of 29 April 2025 (up to a limit of PLN 260 million with Bank Polska Kasa Opieki Bank Polski S.A.) and 21 November 2025 (up to a total limit of PLN 180 million with Bank Powszechna Kasa Oszczędności Bank Polski S.A.). In addition, the PLN 140.0 million reverse factoring limits from PKO Faktoring S.A., originally maturing in October 2024, were extended by an annex until 31 January 2025. Modivo S.A. intends to extend both these limits and the PLN 30.0 million limit from Pekao Faktoring Sp. z o.o., maturing in November 2024, by another 12 months, which is being discussed with the banks, but the Management Board of Modivo S.A. believes this will have no material effect on the company's and the Group's liquidity position given the payment terms negotiated with its suppliers.

The bulk of the debt financing is in the form of bonds convertible into shares of Modivo S.A., totalling PLN 865.7 million as at the reporting date, issued to SVF II Motion Subco (DE) LLC, a Softbank Group company. These bonds are redeemable on 5 April 2026 unless they are converted into shares upon an initial public offering (IPO) of Modivo S.A. shares or repaid before the redemption date. The bonds are classified as current liabilities in anticipation of the planned IPO, and should the IPO proceed, they will be mandatorily converted into shares.

Under the financing agreements with financial institutions, the Modivo Business Unit is required to maintain, among other things, the following ratios:

- DSCR at no less than 1.2, with the ratio calculated as (EBITDA decreased by income tax) divided by the sum of interest, principal and lease payments (excluding amounts resulting from the implementation of IFRS 16) and other debt obligations for the 12 months ended on the ratio calculation date. The ratio will be calculated at quarterly intervals based on consolidated data of the MODIVO Group, starting from the data for the period ended 31 October 2024;
- net debt/EBITDA, calculated by reference to the definitions provided in the financing agreements, at a level not exceeding 3.5, with the ratio tested on 31 January and 31 July each year during the term of the agreement (for agreements with SVF II Motion Subco (DE) LLC, the ratio must not exceed 5). For the bond covenant, a breach occurs if the covenant is not met twice.

(all amounts in PLN million unless stated otherwise)

If these ratios are exceeded as at the testing date, the financial institutions may terminate the agreements immediately.

As for the Modivo Business Unit, it has obtained a waiver from the requirement to test certain financial covenants, as discussed below:

- on 20 September 2024, MODIVO S.A. received consent from PKO BP to change the Net Financial Debt/EBITDA covenant, to be tested on 31 January 2025, to a level not exceeding 5.5. On 20 September 2024, Bank PEKAO S.A. and PEKAO Faktoring Sp. z o.o. agreed to waive the testing of financial covenants as at 31 January 2025, and to introduce a one-off covenant requiring that net debt (excluding bonds) not exceed PLN 548 million as at 31 January 2025. The covenant ratio will be calculated semi-annually, starting from the period ending 31 January 2025, based on consolidated data of the MODIVO Group. EBITDA will be calculated using the values from the last four quarters, and a negative ratio resulting from negative EBITDA will be considered a breach of the covenant.

As at 31 October 2024, the financing of the Modivo Business Unit was secured by blank promissory notes of PLN 970.2 million, registered pledges of PLN 1,632.0 million, security mortgages on real estate of PLN 380.0 million, and sureties of PLN 650.0 million.

The following note presents data on bank borrowings contracted and bonds issued in the period 1 February 2024–31 October 2024.

	FINANCING OF THE CCC BUSINESS UNIT		FINANCING OF THE MODIVO BUSINESS UNIT		TOTAL
	CREDIT FACILITIES	BONDS	CREDIT FACILITIES	BONDS	
As at 1 Feb 2024	**529.2**	**541.2**	**285.7**	**739.3**	**2,095.4**
short-term	**390.2**	**3.6**	**285.7**	**739.3**	**1,418.8**
long-term	**139.0**	**537.6**	**–**	**–**	**676.6**
Proceeds from debt contracted					
- financing received – proceeds	191.2	–	–	–	191.2
- new non-cash refinancing received through settlements among syndicate members	668.0	–	–	–	668.0
- transaction cost/modification of agreement terms	–	0.8	–	–	0.8
Interest accrued	45.3	50.2	16.6	126.4	238.5
Debt-related payments					
- principal payments	-40.0	-30.6	–	–	-70.6
- non-cash settlement of principal payments through new refinancing among consortium members	-713.0	–	–	–	-713.0
- interest paid	-47.6	-32.7	-15.8	–	-96.1
Increase due to change in overdraft facility amount (including new refinancing)	8.2	–	22.5	–	30.7
As at 31 Oct 2024	**641.3**	**528.9**	**309.0**	**865.7**	**2,344.9**
short-term	**58.7**	**11.4**	**309.0**	**865.7**	**1,244.8**
Tranche A	*49.5*	*–*	*–*	*–*	*49.5*
Other (other credit facilities; credit cards)	*9.2*	*–*	*309.0*	*–*	*318.2*
Bonds issued to PFR	*–*	*5.4*	*–*	*–*	*5.4*
Bonds issued to Softbank	*–*	*–*	*–*	*865.7*	*865.7*
CCC0626 bonds	*–*	*6.0*	*–*	*–*	*6.0*
long-term	**582.6**	**517.5**	**–**	**–**	**1,100.1**
Tranche A	*392.6*	*–*	*–*	*–*	*392.6*
Tranche B	*190.0*	*–*	*–*	*–*	*190.0*
Bonds issued to PFR	*–*	*349.1*	*–*	*–*	*349.1*
CCC0626 bonds	*–*	*168.4*	*–*	*–*	*168.4*

(all amounts in PLN million unless stated otherwise)

	FINANCING OF THE CCC BUSINESS UNIT		FINANCING OF THE MODIVO BUSINESS UNIT		TOTAL
	CREDIT FACILITIES	BONDS	CREDIT FACILITIES	BONDS	
As at 1 Feb 2023	**1,084.8**	**581.5**	**230.1**	**629.8**	**2,526.2**
short-term	**272.4**	**23.4**	**230.1**	**629.8**	**1,155.7**
long-term	**812.4**	**558.1**	**–**	**–**	**1,370.5**
Proceeds from debt contracted					
- financing received	44.2	–	–	–	44.2
Interest accrued	73.2	94.2	20.2	142.8	330.4
Modification of agreement terms	–	-6.0	–	-33.3	-39.3
Debt-related payments					
- principal payments	-458.1	-20.6	–	–	-478.7
- interest paid	-74.0	-107.9	-20.2	–	-202.1
Increase due to change in overdraft facility amount	–	–	55.6	–	55.6
Decrease due to change in overdraft facility amount	-121.4	–	–	–	-121.4
Other non-cash changes	-19.5	–	–	–	-19.5
As at 31 Jan 2024	**529.2**	**541.2**	**285.7**	**739.3**	**2,095.4**
short-term	**390.2**	**3.6**	**285.7**	**739.3**	**1,418.8**
Tranche A	*140.0*	*–*	*–*	*–*	*140.0*
Credit facilities with guarantees from BGK	*249.7*	*–*	*–*	*–*	*249.7*
Other (other credit facilities; credit cards)	*0.5*	*–*	*285.7*	*–*	*286.2*
Bonds issued to PFR	*–*	*1.8*	*–*	*–*	*1.8*
Bonds issued to Softbank	*–*	*–*	*–*	*739.3*	*739.3*
CCC0626 bonds	*–*	*1.8*	*–*	*–*	*1.8*
long-term	**139.0**	**537.6**	**–**	**–**	**676.6**
Tranche A	*139.0*	*–*	*–*	*–*	*139.0*
Bonds issued to PFR	*–*	*348.9*	*–*	*–*	*348.9*
CCC0626 bonds	*–*	*188.7*	*–*	*–*	*188.7*

In connection with its existing debt, the Group is exposed to interest rate risk, currency risk, and liquidity risk.

5.3. CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES

31 Oct 2024	CONTRACTUAL MATURITIES FROM THE END OF THE REPORTING PERIOD					TOTAL UNDISCOUNTED	CARRYING AMOUNT
unaudited, unreviewed	UP TO 3 MONTHS	3–12 MONTHS	1–3 YEARS	3–5 YEARS	OVER 5 YEARS		
Bank borrowings	324.1	81.7	444.5	213.6	–	1,063.9	950.3
Bonds	32.4	675.5	219.8	484.0	–	1,411.7	1,394.6
Trade payables	1,756.7	45.9	–	–	–	1,802.6	1,802.6
Factoring liabilities	488.3	413.5	–	–	–	901.8	901.8
Returns liabilities	63.4	–	–	–	–	63.4	63.4
Liabilities arising from obligation to purchase non-controlling interests	206.8	–	12.2	–	–	219.0	219.0
Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	–	–	–	6.1	–	6.1	6.1
Lease liabilities	209.0	412.1	888.0	444.0	306.6	2,259.7	1,801.0
Total financial liabilities	**3,080.7**	**1,628.7**	**1,564.5**	**1,147.7**	**306.6**	**7,728.2**	**7,138.8**

(all amounts in PLN million unless stated otherwise)

31 Jan 2024	CONTRACTUAL MATURITIES FROM THE END OF THE REPORTING PERIOD					TOTAL UNDISCOUNTED	CARRYING AMOUNT
audited	UP TO 3 MONTHS	3–12 MONTHS	1–3 YEARS	3–5 YEARS	OVER 5 YEARS		
Bank borrowings	304.6	408.2	143.6	–	–	856.4	814.9
Bonds	1.8	0.2	901.8	576.0	–	1,479.8	1,280.5
Trade payables	1,225.2	129.0	–	–	–	1,354.2	1,354.1
Factoring liabilities	310.7	155.4	–	–	–	466.1	466.1
Returns liabilities	98.7	–	–	–	–	98.7	98.7
Liabilities arising from obligation to purchase non-controlling interests	181.5	11.1	–	–	–	192.6	192.6
Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	–	–	–	6.6	–	6.6	6.6
Lease liabilities	172.0	359.1	785.9	392.9	295.9	2,005.8	1,732.2
Total financial liabilities	**2,294.5**	**1,063.0**	**1,831.3**	**975.5**	**295.9**	**6,460.2**	**5,945.7**

6. OTHER

6.1. FINANCIAL INSTRUMENTS

	31 Oct 2024		31 Jan 2024	
	unaudited, unreviewed		audited	
	FINANCIAL ASSETS	FINANCIAL LIABILITIES	FINANCIAL ASSETS	FINANCIAL LIABILITIES
Financial assets at amortised cost	**1,067.1**	**–**	**463.0**	**–**
Loans	–	–	–	–
Trade receivables	346.6	–	194.1	–
Lease receivables	31.4	–	–	–
Receivables from sale of property, plant and equipment	2.7	–	2.4	–
Cash and cash equivalents	686.4	–	266.5	–
Financial assets measured at fair value through profit or loss	**18.6**	**–**	**11.7**	**–**
Other financial assets (shares)	11.2	–	11.2	–
Derivative financial instruments (forwards)	7.4	–	0.5	–
Financial liabilities at amortised cost	**–**	**6,913.7**	**–**	**5,928.0**
Bank borrowings and bonds	–	2,344.9	–	2,095.4
Trade and other payables	–	2,704.4	–	1,820.2
Returns liabilities	–	63.4	–	98.7
Lease liabilities	–	1,801.0	–	1,732.2
Liabilities arising from obligation to purchase non-controlling interests	–	195.0	–	181.5
Financial liabilities measured at fair value through profit or loss	**–**	**37.9**	**–**	**21.1**
Liabilities arising from obligation to purchase non-controlling interests	–	24.0	–	11.1
Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	–	6.1	–	6.6
Derivative financial instruments embedded in bonds convertible into Modivo shares − voluntary conversion option	–	7.8	–	3.4

The Group classifies other financial assets (shares), derivative financial instruments embedded in bonds issued to PFR – Equity Kicker, liabilities arising from obligation to purchase non-controlling interests, and derivative financial instruments embedded in bonds convertible into Modivo shares – voluntary conversion option at level 3 of the fair value hierarchy. Derivative financial instruments – forwards are classified at level 2 of the fair value hierarchy.

(all amounts in PLN million unless stated otherwise)

Liabilities arising from obligation to purchase non-controlling interests – DeeZee option

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:

Liabilities arising from obligation to purchase non-controlling interests – DeeZee option	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Jan 2024
	unaudited, unreviewed	audited
At beginning of period	**11.1**	**31.1**
Remeasurement	12.9	-20.0
At end of period	**24.0**	**11.1**
Exercise date (possibility to exercise option on the initial date)	1 Jul 2024	1 Jul 2024

The fair value measurement of the DeeZee Sp. z o.o. option 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 EBITDA 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 costs in the amount of PLN 12.9 million. The liability was measured at the amount due as at the reporting date (with a discount rate of 11.1% applied for the comparative period). Given the high probability that the obligation would be performed, the liability is presented broken down into the non-current portion of PLN 12.2 million and PLN 11.8 million under current liabilities. The breakdown was based on an annex of 26 September 2024, determining payment of the non-current portion of the consideration in November 2025 and January 2026. However, the current liability was settled after the reporting date, as discussed in Note 7.

Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker

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 6.1 million as at the reporting date. The change in its measurement in the reporting period was PLN 0.5 million, recognised under finance income.

Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Jan 2024
	unaudited, unreviewed	audited
At beginning of period	**6.6**	**6.5**
Remeasurement	-0.5	0.1
At end of period	**6.1**	**6.6**

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:

- Number of shares covered by the Equity Kicker option – 0.72 million;
- Expiry date of the Equity Kicker option – 22 September 2028;
- Risk-free rate – 5.13%;
- Expected volatility – 46.0%;
- Maximum duration of the option – 7 years;
- Base rate (3M WIBOR) for the first interest period – 0.24%.

Derivative financial instruments embedded in bonds convertible into Modivo shares − voluntary conversion option

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. Detailed information on the instrument is included in the full-year consolidated financial statements of the CCC Group for 2023. The derivative instrument based on the valuation of Modivo shares was therefore separated (bifurcated) and measured as at the reporting date at fair value amounting to PLN 7.8 million. The difference between the carrying amount of the embedded instrument as at 31 July 2024 and its amount as at 31 January 2024 was PLN 4.4 million, recognised under finance income.

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:

- Risk-free rate – 4.24%;
- Expected volatility – 46.4%;
- Maximum duration of the option – 4.5 years;
- Base rate (3M WIBOR) for the first interest period – 0.24%;
- Payment of contractual interest at a fixed rate of 6.99% per annum until 5 October 2024, and then at 10.99% – payment at settlement.

(all amounts in PLN million unless stated otherwise)

Derivative financial instruments embedded in bonds convertible into Modivo S.A. shares – voluntary conversion option	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Jan 2024
	unaudited, unreviewed	audited
At beginning of period	**3.4**	**15.8**
Remeasurement	4.4	-12.4
At end of period	**7.8**	**3.4**

According to the Group's assessment, the fair value of variable-interest loans, trade receivables, receivables due from sale of property, plant and equipment, lease receivables, cash and cash equivalents, derivative financial instruments, other financial assets, current variable-interest 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 non-current variable-interest 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. The fair value of the Series 1/2018 (CCC0626) variable-rate bonds, listed on the regulated Catalyst market, is PLN 171.4 million (carrying amount: PLN 174.4 million).

6.2. ACQUISITION OF SUBSIDIARIES AND ASSOCIATES

Seeking to expand its product portfolio through the addition of new brands such as Roxy, Billabong and Quicksilver, the CCC Group acquired Rawaki Sp. z o.o. (of Poland), First Distribution s.r.o. (of the Czech Republic) and Boardriders s.r.o. (of Slovakia).

On 4 June 2024, following the fulfilment of conditions under the preliminary share purchase agreement, the CCC Group acquired control of those companies. Once the transaction was settled, CCC S.A. acquired 100% of shares (conferring the same voting power) in Rawaki Sp. z o.o. and 90% of shares in First Distribution s.r.o., while CCC Shoes and Bags Sp. z o.o. acquired 10% of shares in First Distribution s.r.o. Boardriders s.r.o. is wholly owned by First Distribution s.r.o. The transaction was a cash purchase.

The table below shows the companies' balance-sheet data as at the acquisition date, i.e. 4 June 2024, translated at the exchange rate effective for 4 June 2024 (CZK 1 – PLN 0.1714, EUR 1 – PLN 4.2923).

As at 31 July 2024, the Group provisionally accounted for the acquisition of the companies. The final accounting in accordance with the acquisition method will be made by 31 January 2025. Based on the provisional accounting, the Group recognised a gain on the bargain purchase of Rawaki Sp. z o.o. and First Distribution s.r.o. (PLN 3.6 million and PLN 4.4 million, respectively), primarily attributable to the fair value measurement of the acquired non-current assets (the purchase price mechanism was predominantly based on a working capital adjustment). The goodwill arising from the acquisition of Boardriders s.r.o. is estimated at PLN 1.3 million.

Revenues of Rawaki Sp. z o.o., First Distribution s.r.o. and Boardriders s.r.o. recognised in the consolidated statement of comprehensive income as of 4 June 2024 were, respectively: PLN 9.2 million, PLN 6.1 million and PLN 1.2 million. The companies' net profits for the same period were: PLN 0.2 million, PLN 0.1 million and PLN 0.0 million.

Recognised amounts of identifiable acquired assets and liabilities as at 4 June 2024	Rawaki Sp. z o.o.	First Distribution s.r.o.	Boardriders s.r.o.
Non-current assets			
Property, plant and equipment – leasehold improvements	0.7	0.6	0.1
Right-of-use assets	2.3	1.2	0.2
Deferred tax assets	1.5	–	–
Long-term investments	–	1.0	–
Total non-current assets	**4.5**	**2.8**	**0.3**
Current assets			
Inventories	1.6	1.2	0.5
Trade receivables	9.0	3.7	1.0
Other receivables	0.1	2.0	0.6
Cash and cash equivalents	5.8	4.7	0.3
Total current assets	**16.5**	**11.6**	**2.4**
Total assets	**21.0**	**14.4**	**2.7**
Non-current liabilities			
Lease liabilities	0.6	0.2	–
Total non-current liabilities	**0.6**	**0.2**	**–**
Current liabilities			
Trade payables	0.2	0.2	1.5
Other liabilities	2.0	–	2.4
Income tax liabilities	–	0.3	–
Provisions	–	0.5	–
Lease liabilities	1.7	0.9	0.1

(all amounts in PLN million unless stated otherwise)

Total current liabilities	**3.9**	**1.9**	**4.0**
Total liabilities	**4.5**	**2.1**	**4.0**
Net assets	**16.5**	**12.3**	**-1.3**
Net assets attributable to the acquired interests	16.5	12.3	-1.3
Consideration for acquisition	12.9	7.9	–
Goodwill determined	**–**	**–**	**1.3**
Gain on bargain purchase	**3.6**	**4.4**	**–**
Cash expenditure on acquisition	**12.9**	**7.9**	**–**
Paid in cash	12.9	7.9	–
Exchange rate as at acquisition date	1.0000	0.1740	4.2923

6.3. 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)
	31 Oct 2024	31 Oct 2024	31 Jan 2024	31 Jan 2024
	unaudited, unreviewed	unaudited, unreviewed	audited	audited
ASSOCIATES	3.0	0.5	2.0	–
ENTITIES RELATED TO KEY MANAGEMENT PERSONNEL	0.4	15.1	1.1	13.1
Total	**3.4**	**15.6**	**3.1**	**13.1**

	Proceeds from related-party transactions	Purchases from related parties	Proceeds from related-party transactions	Purchases from related parties
	1 Feb 2024–31 Oct 2024	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Feb 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
ASSOCIATES	0.5	4.9	0.3	4.9
ENTITIES RELATED TO KEY MANAGEMENT PERSONNEL	–	5.1	-0.9	12.4
Total	**0.5**	**10.0**	**-0.6**	**17.3**

	Proceeds from related-party transactions	Purchases from related parties	Proceeds from related-party transactions	Purchases from related parties
	1 Aug 2024–31 Oct 2024	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
ASSOCIATES	0.4	0.4	0.3	1.7
ENTITIES RELATED TO KEY MANAGEMENT PERSONNEL	–	2.1	–	2.3
Total	**0.4**	**2.5**	**0.3**	**4.0**

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

In addition, the CCC Group entered into an agency agreement with Giro Trading Prosta Spółka Akcyjna ("Giro") as the agent, under which Giro receives a contractual agency fee of substantially 3% (of the value of purchases made through the agency of Giro). In the reporting period, companies of the CCC Group engaged with Giro in purchase transactions totalling PLN 50.5 million and in sales transactions totalling PLN 0.7 million (PLN 93.2 million and PLN 5.4 million, respectively, in the period 1 February–31 October 2023).

Based on an analysis performed, it was determined that Giro was not a related party, nor an entity related to any member of the Group's governing bodies. However, in view of the significant role played by one member of the Group's parent governing body in establishing that entity, the Group – seeking to ensure transparency and access to information – has disclosed transactions with the entity despite the fact that they do not formally meet the criteria requiring their disclosure as related-party transactions.

6.4. 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 31 January 2024, 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 1 August 2021 to 31 July 2024, which also ended as at the reporting date.

The long-term bonus for the second period was determined in accordance with the scheme rules, based on the difference between the average price of CCC S.A. shares for the three months prior to 31 July 2024, of PLN 124.4, and the incentive scheme price of PLN 118.5. The number of rights to benefit from share appreciation (number of options) used in the valuation was 200,000, with 22 June 2021–31 July 2024 as the vesting period.

The statement of financial position includes a cost of PLN 1.2 million recognised on the valuation of the incentive scheme under administrative expenses, half of which had already been paid as at the reporting date, with the balance due for payment in November 2024. As at 31 January 2024, a provision of PLN 0.02 million was recognised on that account under other current liabilities.

Incentive scheme for key personnel of the Modivo Group implemented in 2021–2025

As described in the consolidated financial statements for the financial year ended 31 January 2024, key management 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 14 January 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 7 February 2022 (grant date) and the fair value of the equity instruments granted was determined as at that date.

The scheme was to remain in effect until 31 August 2024 or until Modivo S.A.'s majority shareholder sold, in a single transaction or a series of transactions, no less than 50% of Modivo S.A. shares or lost the majority of voting rights as a result of the acquisition of shares by another entity, whichever occurred earlier. The vesting of the rights under the scheme is conditional upon the participant's continuing relationship with Modivo S.A. or any Modivo Group company until the settlement date, and on the company's market value reaching at least PLN 8.0 billion. 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.

On 27 June 2023, a modification of the incentive scheme was approved to enhance its incentivising effect, consisting in the following key elements:

- Reduction of the valuation thresholds for 100% of Modivo's equity triggering the exercise of rights, including reduction of the first threshold from PLN 8 billion to PLN 6 billion;
- Allocation of significantly more rights to the first valuation threshold for 100% of Modivo's equity, i.e. PLN 6 billion; and
- Addition of a provision that the scheme would end on the date of introduction of Modivo shares to trading on the regulated market, alongside the provision that the scheme would end on 31 December 2025 (originally 31 August 2024) or at the time when more than 50% of Modivo shares are sold by its majority shareholder, whichever occurs earlier. (The Group assumed that the most likely scenario was that the scheme would end at the time of introduction of Modivo shares to trading on the regulated market (IPO), and therefore the Group accounts for the scheme over the period ending on the planned IPO date).

The modification concerns rights granted under the scheme as previously in effect (Stages 1 and 2), which continue to be included in the scheme as at the amendment date, i.e. 27 June 2023. In order to determine the cost of the modification, which increases the fair value of the equity instruments granted, a valuation was performed for the pre- and post-modification version of the scheme as at 27 June 2023. The difference between the two valuations (excess) would be accounted for over the remaining term of the modified scheme. On the other hand, the cost of the valuation as at the original vesting date (7 February 2022 and 31 July 2022) would continue to be accounted for, adjusted only for departures of the scheme participants. The new aggregate number of Stage 1 and Stage 2 rights remaining under the scheme as at 27 June 2023 was 392,673.

The adjustment to the cost of the scheme in the period covered by these financial statements was PLN 13.8 million, reducing administrative expenses, relative to PLN 2.9 million in the comparative period (recognised under salaries, wages and employee benefits, in correspondence with non-controlling interests). The recognition of income relative to cost in the comparative period is attributable, among other things, to an adjustment of the number of rights used in the valuation of the entire scheme due to failure to meet the vesting conditions by some employees, who ended their relationship with Modivo S.A.). The cumulative cost of the scheme recognised until 31 October 2024 was PLN 16.6 million.

7. EVENTS AFTER THE REPORTING DATE

On 12 November 2024, CCC Shoes & Bags Sp. z o.o. (a subsidiary of CCC S.A.) purchased from MKK3 Sp. z o.o. 250,500 Modivo shares, i.e. approximately 2.5% of the company's share capital, for PLN 97.8 million. Pursuant to the option agreement, the option exercise period with respect to the remaining 2.5% of Modivo shares expires on 30 June 2026. On the same day, CCC Shoes & Bags Sp. z o.o. exercised the option to purchase 12.28% of DeeZee Sp. z o.o. shares for PLN 11.8 million. The purchase of Modivo shares and DeeZee Sp. z o.o. shares was financed with CCC S.A.'s own funds.

On 19 November 2024, CCC S.A. passed a resolution to change the name of CCC.eu Sp. z o.o. to Modivo.eu Sp. z o.o. As at the date of issue of these financial statements, that change was not yet registered with the National Court Register.

On 20 November 2024, the Management Board of CCC S.A. passed a resolution to exercise the right to early redeem Series 1/2018 (CCC0626) bonds, i.e. to redeem 168,786 bonds with a total nominal value of PLN 168.8 million (and a carrying amount of PLN 174.4 million). The early redemption date was set for 30 December 2024.

On 21 November 2024, HalfPrice Espania s.l. commenced operations, opening a new store under that brand in Zaragoza, Spain.

INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS FOR THE NINE MONTHS

from 1 February 2024
to 31 October 2024

INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
Revenue	2,124.9	2,006.5	768.3	716.7
Cost of sales	-1,469.6	-1,431.4	-538.6	-507.9
Gross profit	**655.3**	**575.1**	**229.7**	**208.8**
Costs of points of purchase and distribution	-530.8	-478.9	-184.9	-164.4
Administrative expenses	-65.1	-56.7	-22.1	-17.8
Other income	12.2	24.9	3.8	4.2
Other expenses	-11.4	-4.1	-0.1	-1.6
(Recognition) / Reversal of loss allowances (impairment losses on receivables)	-0.2	-10.0	–	0.1
Operating profit (loss)	**60.0**	**50.3**	**26.4**	**29.3**
Finance income	54.2	174.6	10.0	34.6
(Recognition) / Reversal of loss allowances	15.8	45.4	–	–
Impairment losses on shares	–	-9.2	–	–
Finance costs	-82.4	-97.2	-24.1	-34.6
Profit (loss) before tax	**47.6**	**163.9**	**12.3**	**29.3**
Income tax	-4.5	15.7	0.8	-1.6
Net profit (loss)	**43.1**	**179.6**	**13.1**	**27.7**
Total comprehensive income	**43.1**	**179.6**	**13.1**	**27.7**
Weighted average number of ordinary shares (million)	**68.9**	**65.2**	**68.9**	**65.2**
Basic earnings (loss) per share (PLN)	**0.63**	**2.75**	**0.20**	**0.42**
Diluted earnings (loss) per share (PLN)	**0.63**	**2.75**	**0.20**	**0.42**

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

	31 Oct 2024	31 Jan 2024
	unaudited, unreviewed	audited
Intangible assets	2.4	3.2
Goodwill	48.8	48.8
Property, plant and equipment – leasehold improvements	315.4	266.2
Property, plant and equipment – distribution	–	5.6
Property, plant and equipment – other	16.2	36.4
Right-of-use assets	337.2	378.0
Deferred tax assets	67.6	60.9
Loans	636.3	869.1
Long-term investments	1,310.3	1,290.1
Other long-term receivables	3.6	0.1
Lease receivables	96.9	86.2
Non-current assets	**2,834.7**	**3,044.6**
Inventories	426.3	351.3
Trade receivables	67.7	67.2
Income tax receivable	4.4	–
Loans	53.4	52.3
Other receivables	42.8	46.7
Cash and cash equivalents	80.3	33.4
Lease receivables	31.7	29.8
Current assets	**706.6**	**580.7**
TOTAL ASSETS	**3,541.3**	**3,625.3**
Liabilities under borrowings and bonds	517.5	537.6
Provisions	3.9	3.6
Lease liabilities	389.2	404.9
Oher non-current liabilities	1.1	1.3
Other non-current financial liabilities	6.1	6.6
Non-current liabilities	**917.8**	**954.0**
Liabilities under borrowings and bonds	11.9	253.5
Trade and other payables	230.7	164.0
Other liabilities	158.1	101.5
Income tax liabilities	–	0.9
Provisions	32.7	12.2
Lease liabilities	199.5	191.7
Current liabilities	**632.9**	**723.8**
TOTAL LIABILITIES	**1,550.7**	**1,677.8**
NET ASSETS	**1,990.6**	**1,947.5**
Equity		
Share capital	6.9	6.9
Share premium	1,648.2	1,648.2
Retained earnings	335.5	292.4
TOTAL EQUITY	**1,990.6**	**1,947.5**
TOTAL EQUITY AND LIABILITIES	**3,541.3**	**3,625.3**

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED SEPARATE STATEMENT OF CASH FLOWS

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
Profit (loss) before tax	**47.6**	**163.9**	**12.3**	**29.3**
Depreciation/amortisation	122.5	111.2	44.7	39.1
Impairment of property, plant and equipment, rights-of-use assets, intangible assets and shares	10.8	–	–	–
(Gain) loss from investing activities	-0.8	9.9	–	0.1
Borrowing costs	74.9	90.3	20.9	31.2
Other adjustments to profit before tax	-51.9	-171.6	-11.9	2.7
Income tax paid	-16.5	-9.6	-11.0	-3.8
Cash flow before changes in working capital	**186.6**	**194.1**	**55.0**	**98.6**
Changes in working capital				
Change in inventories and inventory write-downs	-75.0	-8.2	-11.7	-29.6
Change in receivables	19.2	20.5	-25.6	23.6
Change in current liabilities, net of borrowings and bonds	126.2	58.6	54.8	-67.4
Net cash flows from operating activities	**257.0**	**265.0**	**72.5**	**25.2**
Proceeds from sale of property, plant and equipment	22.5	0.1	–	–
Repayment of loans and payment of interest	47.1	11.4	13.1	1.9
Purchase of intangible assets and property, plant and equipment	-94.0	-31.5	-48.1	-3.6
Loans	-0.7	-492.8	–	8.1
Acquisition of investments in associates	-20.2	–	-0.2	–
Other cash provided by investing activities	23.9	21.6	7.1	6.1
Net cash flows from investing activities	**-21.4**	**-491.2**	**-28.1**	**12.5**
Proceeds from securities issues and contributions to equity	–	501.6	–	–
Other cash provided by financing activities	8.4	12.1	5.8	2.7
Lease payments	-88.6	-103.9	-24.0	-31.5
Interest paid	-61.7	-105.4	-5.5	-11.4
Payments for commission fees on credit facilities	-16.2	–	–	–
Repayment of borrowings and bonds	-30.6	-20.6	-10.0	-20.3
Net cash flows from financing activities	**-188.7**	**283.8**	**-33.7**	**-60.5**
TOTAL CASH FLOWS	**46.9**	**57.6**	**10.7**	**-22.8**
Net increase/decrease in cash and cash equivalents	46.9	57.6	10.7	-22.8
Cash and cash equivalents at beginning of period	**33.4**	**38.0**	**69.6**	**118.4**
Cash and cash equivalents at end of period	**80.3**	**95.6**	**80.3**	**95.6**

(all amounts in PLN million unless stated otherwise)

INTERIM CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY

unaudited, unreviewed	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TOTAL EQUITY
As at 1 Feb 2024	**6.9**	**1,648.2**	**292.4**	**1,947.5**
Net profit (loss) for period	–	–	43.1	43.1
Total comprehensive income	**–**	**–**	**43.1**	**43.1**
As at 31 Oct 2024	**6.9**	**1,648.2**	**335.5**	**1,990.6**

unaudited, unreviewed	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TOTAL EQUITY
As at 1 Feb 2023	**5.5**	**1,148.0**	**71.6**	**1,225.1**
Net profit (loss) for period	–	–	179.6	179.6
Total comprehensive income	**–**	**–**	**179.6**	**179.6**
Share issue	1.4	500.2	–	501.6
Total transactions with owners	**1.4**	**500.2**	**–**	**501.6**
As at 31 Oct 2023	**6.9**	**1,648.2**	**251.2**	**1,906.3**

8. 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 of clothing and footwear (NACE 5142).**	
Management Board:	**President:**	**Dariusz Miłek**
	Vice President:	**Karol Półtorak**

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

The Company is the parent of the CCC Group (the "CCC Group", the "Group").

These interim condensed separate financial statements of the Company cover the nine months ended 31 October 2024 and contain comparative data for the nine months ended 31 October 2023 and as at 31 January 2024.

The statement of comprehensive income and notes to the statement of comprehensive income contain data for the three months ended 31 October 2024 and comparative data for the three months ended 31 October 2023, which has not been audited or reviewed by an auditor.

The Company has also prepared interim condensed consolidated financial statements for the nine months ended 31 October 2024, which were authorised for issue by the Management Board on 26 November 2024. The interim condensed consolidated financial statements of the CCC Group have been prepared in accordance with IFRS. The statements can be accessed on the Company's website.

The interim financial results may not be indicative of the Company's potential full-year financial results due to the seasonality effect (with peak demand in spring and autumn).

On 23 July 2024, Igor Matus resigned as Vice President and Member of the Company's Management Board, with effect from 16 September 2024.

In the reporting period, the Supervisory Board was composed of: Wiesław Oleś as Chair, with Zofia Dzik, Filip Gorczyca, Mariusz Gnych, Marcin Stańko, and Piotr Kamiński serving as Members of the Supervisory Board.

On 24 October 2024, Mariusz Gnych resigned as Member of the Company's Supervisory Board, with effect from 31 October 2024.

The Company has an unlimited duration.

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 European Union ("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 31 January 2024, authorised for issue on 5 April 2024.

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 interim condensed financial statements have been prepared under the going concern assumption, indicating that the Company and the CCC Group (the "Group") are expected to continue their operations for the foreseeable future, specifically for a period of at least 12 months from the reporting date.

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

- CCC Business Unit (the CCC Group excluding the Modivo Business Unit); and separately for
- Modivo Business Unit (MODIVO S.A. and all its subsidiaries).

For this reason, further analyses were carried out separately for the CCC Business Unit and for the Modivo Business Unit.

As at 31 October 2024, CCC S.A.'s current assets exceeded its current liabilities by PLN 73.7 million.

Under the financing agreements concluded by the Group, the Group is required to comply with certain financial covenants, separately for the CCC Business Unit (which includes the Company) and for the Modivo Business Unit. Non-compliance with any of the covenants at the Modivo Business Unit is tantamount to a breach of the financing terms at the CCC Business Unit, and may potentially accelerate repayment of credit facilities with respect to which the Company is an obligor (debtor).

Based on the Annual Budget for 2024 and financial plans for subsequent periods prepared by the Management Board of CCC S.A., the Management Board expects – to the best of its knowledge – that the terms of the New Syndicated Agreement of 12 July 2024 and the other financing agreements will not be breached within the next 12 months.

Further delivery of the CCC Group's Annual Budget for 2024 and financial plans for future periods, including all initiatives, goals, plans and projections, is subject to future risks, described at length in the consolidated Directors' Report on the operations of the CCC Group in the financial year 2023, including risks related to macroeconomic developments, seasonal variations, consumer behaviour and the Group's industry. On the other hand, volatility on the financial markets may prevent an initial public offering of Modivo S.A. shares.

Going concern assessment of the CCC Business Unit

On 12 July 2024, CCC S.A., CCC.eu Sp. z o.o. and HalfPrice Sp. z o.o. executed a financing agreement for up to PLN 1.8 billion with a syndicate of banks (the "New Syndicated Agreement") to refinance debt outstanding under the Credit Facility Agreement of 2 June 2021 and to ensure continued financing for the CCC Business Unit. For detailed information on the New Syndicated Agreement, see Note 5.2 and Note 21 to the interim consolidated Directors' Report on the operations of the CCC Group in the nine months from .

In the Management Board's opinion, none of the financial covenants effective as at 31 October 2024 were breached.

The Management Board believes that the CCC Group's financial performance and strategy currently in place help minimise the risks outlined above by diversifying and enhancing the product portfolio, which in turn will support delivery of the CCC Business Unit's Annual Budget for 2024 and financial plans for future periods as intended by the Management Board. For this reason, taking additionally into account appropriate sensitivity analyses, the Management Board does not foresee any breach of the financial covenants within the next 12 months.

Going concern assessment of the Modivo Business Unit

For information on how the Modivo Business Unit is financed, with details of the existing financing agreements, their amendments and terms, including the applicable financial covenants, see Note 5.2 and Note 21 to the interim consolidated Directors' Report on the operations of the CCC Group in the nine months from 1 February 2024 to 31 October 2024.

In the Management Board's opinion, as at the reporting date and the date of these financial statements, there were no breaches of the applicable financial covenants under the financing agreements.

31 October 2024 was the first testing date of the DSCR covenant, confirmed to be satisfied. The covenant is to be retested as at 31 January 2025, but the Management Board expects it will continue to be met. For the definition of the DSCR covenant, see Note 21.

The upcoming testing dates for the net financial debt to EBITDA ratio are 31 January 2025, when the ratio must not exceed 5.0 for the bonds issued to Softbank and 5.5 for the credit facility agreement with PKO BP S.A., and 31 July 2025, when it must not exceed 3.5. For the bond covenant, a breach occurs if the covenant is not met twice.

EBITDA monitored for covenant ratio calculations by the Modivo Business Unit for the nine months ended 31 October 2024 amounted to PLN 89.4 million (PLN 112.4 million for the bond covenants). As at that date, net financial debt was PLN 1,494.7 million. In the fourth quarter of 2024, the Modivo Business Unit must achieve an EBITDA of PLN 113 million for the bank covenants (PLN 105.6 million for the bond covenants), and in the following 12 months, i.e. to 31 July 2025, an EBITDA of PLN 9.3 million, in order to meet the financial covenants outlined above, assuming the projected net financial debt level. In the case of credit facilities maturing within 12 months, the Management Board plans to either extend their financing or, if repayment is required, considers such repayment feasible. Achievement of financial results at the levels indicated above is assessed by the Management Board as highly probable.

The Management Board considered the risk of breaching the terms of financing agreements as at 31 July 2025 and 31 October 2025 to be low for the Modivo Business Unit.

Significant improvements in the performance of the Modivo Business Unit are expected, driven by the implementation of the following margin-enhancing measures:

- increasing the share of CCC products with very high margins;
- securing more favourable contracts for the supply of merchandise;
- wholesale transactions with very high margins;
- modifying the price reduction and discount policy;

as well as ancillary activities, which often achieve 100% margins:

- growing revenue (margins) from services provided to the CCC Business Unit;
- increasing Minimum Order Value (MOV) rates, which will lower delivery costs;
- discontinuing the Reserve & Collect programme and replacing it with the Click and Collect (CC) model, which will offer higher margins with reduced marketing expenses.

On the cost side, initiatives are being implemented to unlock synergies within the CCC Group, which significantly reduce the Modivo Business Unit's operating expenses.

These initiatives are closely aligned with the development directions set for the CCC Group, including the Modivo Business Unit, related, among other things, to business model streamlining and progressively realised intragroup synergies, market segmentation, the move to ramp up sales of high-margin licensed goods and expansion of the sales network.

If the actual performance comes in significantly below financial projections, for both the CCC Business Unit and the Modivo Business Unit, but still allows them to meet the financial covenants required by lenders, the Management Board believes each Business Unit may take a number of measures to improve the Group's financial performance in the short term, including the individual performance of the CCC and Modivo Business Units. Such measures include cost-saving initiatives beyond those planned in the Annual Budget, as well as further optimisation of the working capital and product portfolio towards high-margin goods. The available cost-saving measures for the CCC Business Unit include the effects of saving programmes implemented in the second half of 2023, reorganisations in the technology and expansion areas, further reduction of marketing expenses and savings from linking bonus schemes with financial performance. For the Modivo Business Unit, potential cost-saving measures include a review of its stores (leading to the closures of unprofitable or poorly performing outlets), optimisation of employment, abandonment of low-return consumer schemes with high advertising costs, as well as a fixed cost reduction programme. Additionally, given the consents obtained historically, as described in Note 5.2, the Management Board believes that it will be able to secure necessary agreements with financing institutions.

Additionally, the Management Board of CCC S.A. confirms that the execution of an IPO for Modivo S.A. remains a viable choice as part of its debt reduction strategy.

In conclusion, despite the risks mentioned above for both the CCC Business Unit and the Modivo Business Unit, the Management Board believes – based on the Annual Budget for 2024 and financial plans for future periods, including the analyses performed and available remedial measures – that there is no significant uncertainty as to the Company's and the Group's ability to continue as a going concern for the foreseeable future.

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

Inventory write-downs

For more information, see Note 12.2.

Impairment losses on shares

As at 31 October 2024, no indications of impairment of shares in subsidiaries and associates were identified. As at 31 October 2024, the impairment loss on shares stood at PLN 9.2 million.

Expected credit losses (ECL)

The Company assesses expected credit losses ("ECL") associated with debt instruments measured at amortised cost, regardless of whether there is any indication of impairment.

With respect to short-term trade receivables without a significant financing component and lease 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.

The Company has not observed any material deterioration in repayment rates or an increase in the number of bankruptcies or reorganisations among its customers. Accordingly, the Company expects that the collectability of the trade and other receivables disclosed in the statement of financial position as at 31 October 2024, maturing in the coming months, will remain substantially unchanged.

The impairment loss on trade receivables did not change materially relative to 31 January 2024 as the prevailing market conditions were substantially the same and there was no significant change in credit risk.

For loans and credit sureties provided, the Company measures expected credit loss allowances in amounts equal to 12-month expected credit losses. If the credit risk has increased significantly since initial recognition, the Company measures the loss allowance in an amount equal to lifetime expected credit losses.

In the reporting period, there was no significant increase in credit risk from initial recognition with respect to any of the loans. In the reporting period, loans totalling PLN 297.1 million were repaid, the probability of default (PD) was reduced, and the companies' ratings improved, which resulted in a decrease of expected credit losses on loans by PLN 14.4 million.

For detailed information on impairment losses recognised on trade receivables, lease receivables, other receivables, loans, sureties and guarantees, see Note 12.2.

The provision for sureties provided was reduced by PLN 1.4 million on account of a decrease in PD (probability of default) with a concurrent increase in the CCC Group's debt covered by the sureties.

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

As at 31 October 2024, following an assessment of indications of impairment of property, plant and equipment, intangible assets, goodwill and right-of-use assets, no need to perform 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. For information on impairment of the aforementioned assets, see Note 12.2.

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 the 'Management of financial resources and liquidity' section of the Directors' Report on the Group's operations. As at 31 October 2024, 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 given the equity transactions planned in the future.

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 1 February 2023−31 January 2024, except for the application of new or amended standards and interpretations effective for annual periods beginning on or after 1 February 2024.

New and amended accounting standards

As of 1 February 2024, the Company is required to apply:

- amendments to IFRS 16 concerning lease liabilities in sale and leaseback transactions;
- amendments to IAS 1 concerning the classification of liabilities as current or non-current;
- amendments to IAS 7 and IFRS 7 concerning the disclosure requirements for supplier finance arrangements.

The other new and amended standards which apply for the first time in 2024 do not have a material impact on the Company's interim condensed separate financial statements.

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.

The Company changed the presentation of receipts from lease incentives in the separate statement of cash flows. Since 1 February 2024, these receipts have been presented within financing activities. The Company believes that this change accurately represents the impact as a reduction in payments made to the lessor, resembling repayment of the financing extended. To ensure data comparability, the comparative data was restated accordingly. Proceeds from settlement of leasehold improvements with landlords, presented in the statement of cash flows as at 31 October 2023 under cash flows from investing activities, in the amount of PLN 12.1 million, were reclassified to other cash provided by financing activities.

FACTORS WITH MATERIAL BEARING ON THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

Revenue

The 6% year-on-year increase in revenue was driven by continued roll-out of the omnichannel model and expansion of the available product range.

Cost of sales

Cost of sales rose by 3% relative to the same period of the previous year. Gross margin in the three months ended 31 October 2024 reached 30.8% of revenue, relative to 28.7% in the comparative period. Its change was attributable to lower discounting.

Costs of points of purchase and distribution

Costs of points of purchase and distribution increased by 11% year on year, driven mainly by:

- PLN 33.1 million increase in salaries, wages and employee benefits expense, attributable to a pay rise;
- PLN 12.6 million increase in rental costs (sales-based rents and variable costs: utilities, electricity, etc.); and
- PLN 11.0 million increase in depreciation charges due to an increase in leasehold improvements.

Administrative expenses

The 15% year-on-year rise in administrative expenses was due to a PLN 11.1 million increase in other general expenses led by higher expenses on advisory and IT services, combined with a decrease in salaries and wages (down by PLN 1.7 million).

Other income and expenses

Other income fell by PLN 51% million year on year, to PLN 12.2 million. The decline resulted mainly from reversal in the comparative period of the provision for guarantees related to CCC Germany, amounting to PLN 9.1 million.

Other expenses rose by PLN 7.3 million year on year, to PLN 11.4 million. Their increase was attributable to the recognition of impairment losses on the property in Słupsk, transferred to assets held for sale as at 30 April 2024. As at the transfer date, the carrying amount of the asset exceeded its potential market price, leading to the recognition of an impairment loss of PLN 10.8 million as at 30 April 2024. On 4 June 2024, the property was sold for PLN 10.0 million.

The allowance for expected credit losses on trade receivables, other receivables and lease receivables was PLN 0.2 million. For more information, see Note 12.2.

Consequently, the operating result for the nine months ended 31 October 2024 was PLN 60.0 million, up by PLN 9.7 million year on year.

Finance costs and income

In the reporting period, finance income was PLN 54.2 million, comprising mainly interest on cash in current account and loans of PLN 50.7 million. It also included PLN 0.5 million from valuation of the derivative financial instrument (Equity Kicker) embedded in bonds issued to PFR. For more information, see Note 13.1. The year-on-year change was largely attributable to income on the liquidation of CCC Austria, amounting to PLN 64.7 million.

In the reporting period, expected credit loss allowances were reversed in connection with sureties provided and impairment losses on loans in a total amount of PLN 15.8 million.

Finance costs amounted to PLN 82.4 million and included mainly interest expense on borrowings and bonds of PLN 61.5 million and interest expense on leases of PLN 15.6 million.

Income tax amounted to PLN 4.5 million, reducing profit before tax. Net profit booked by CCC S.A. for the nine months ended 31 October 2024 was PLN 43.1 million, down by PLN 136.5 million year on year.

STATEMENT OF FINANCIAL POSITION

As at 31 October 2024, CCC S.A.'s total assets amounted to PLN 3,541.3 million, down by PLN 84.0 million on 31 January 2024.

Assets

As at 31 October 2024, non-current assets amounted to PLN 2,834.7 million, down by PLN 209.9 million on the end of the previous year.

On 4 June 2024, the Company purchased 100% of shares in Rawaki Sp. z o.o. of Warsaw for PLN 12.9 million and 90% of shares in First Distribution s.r.o. of Prague for PLN 7.1 million.

Property, plant and equipment – leasehold improvements as at 31 October 2024 amounted to PLN 315.4 million, up by PLN 49.2 million on 31 January 2024. The change reflects depreciation expense of PLN 31.6 million, expenditure on stores of PLN 88.4 million, retirement and sale of property, plant and equipment of PLN 5.7 million, and a net decrease due to transfers between groups of PLN 1.9 million.

Property, plant and equipment – distribution decreased by PLN 5.6 million relative to 31 January 2024. The change resulted mainly from retirement and sale of assets in a net amount of PLN 2.8 million and a net decrease due to transfers between groups of PLN 3.0 million.

Property, plant and equipment – other as at 31 October 2024 amounted to PLN 16.2 million, down by PLN 20.2 million on 31 January 2024. The change was attributable to transfers between groups totalling PLN 15.9 million, depreciation expense of PLN 1.0 million, as well as retirement and sale of property, plant and equipment in a net amount of PLN 3.3 million.

As at the reporting date, the right-of-use assets were PLN 337.2 million, down by PLN 40.8 million on 31 January 2024. The most significant changes were due to lease modifications extending the contract terms of PLN 31.2 million, rent adjustments, etc. (increase in the value of assets). As at 31 October 2024, depreciation of right-of-use assets stood at PLN 88.4 million. The reporting period saw the execution of new lease contracts (an increase of PLN 16.4 million).

As at the reporting date, long-term and short-term loans amounted to PLN 689.7 million, down by PLN 231.7 million on the end of the previous year. The decrease resulted mainly from offsetting a loan of PLN 250.0 million advanced to CCC.eu Sp. z o.o. (for details, refer to Note 11.2). In the period 1 February–31 October 2024, the Company advanced an additional tranche of PLN 0.7 million to UAB CCC Lithuania under the existing terms of the loan agreement with that company. As at 31 October 2024, interest accrued and paid totalled PLN 50.4 million and PLN 47.1 million, respectively, while foreign exchange losses on loans amounted to PLN 0.5 million. The change in allowances for expected credit losses on loans was a decrease of PLN 14.4 million. For a summary of movements in impairment losses on assets, see Note 12.2.

Long-term and short-term lease receivables amounted to PLN 128.6 million, up by PLN 12.6 million on 31 January 2024. The change was attributable to payment of existing receivables of PLN 23.9 million, recognition of new sublease contracts of PLN 32.2 million and modification of existing contracts.

Current assets rose by PLN 125.9 million relative to 31 January 2024, reflecting mainly a PLN 46.9 million increase in cash and an increase in inventories due to the seasonal stocking-up effect at the Company.

As at the reporting date, inventories amounted to PLN 426.3 million, up by 21% on 31 January 2024. The total inventories comprised merchandise, which grew by PLN 70.7 million to PLN 421.5 million, and returns assets of PLN 5.6 million. Returns assets are related to customers' right to return unused goods. For detailed information on inventory write-downs (as at 31 October 2024: PLN 0.8 million), see Note 11.2.

Trade receivables rose by PLN 0.5 million year on year, whereas other receivables fell by PLN 3.9 million relative to 31 January 2024. Net other receivables as at 31 October 2024 comprised:

- other receivables of PLN 11.4 million, including mainly security deposits of PLN 6.0 million and receivables from recharge of utility costs related to subleased premises of PLN 2.3 million;
- prepayments of PLN 10.7 million;
- financial receivables of PLN 15.4 million related to the settlement of new refinancing fees;
- receivables from sale of property, plant and equipment of PLN 2.7 million;
- prepaid deliveries of merchandise of PLN 2.1 million.

Equity and liabilities

Other non-current financial liabilities include a liability related to the equity kicker under the agreement on the loan from CCC Shoes & Bags Sp. z o.o. (concerning the issue of bonds by CCC Shoes & Bags Sp. z o.o. subscribed for by PFR Inwestycje Fundusz Inwestycyjny Zamknięty). For details, see Note 11.

For detailed information on non-current financial liabilities and liabilities under borrowings and bonds, see Note 11.

Current and non-current lease liabilities amounted to PLN 588.7 million, down by PLN 7.9 million on 31 January 2024. The change resulted from the addition of new contracts and modifications and amendments to existing contracts, which led to an increase in the liabilities by PLN 80.0 million, with accrued interest amounting to PLN 18.5 million. Payments of liabilities over the period amounted to PLN 107.1 million (of which principal payments were PLN 88.0 million), while exchange differences on contracts denominated in foreign currencies increased the liability by PLN 0.7 million.

Trade and other payables rose by PLN 66.7 million on 31 January 2024, which was attributable to the seasonal stocking-up effect and a shift in the product mix (towards licensed goods).

Other liabilities increased by PLN 56.6 million. The largest items were accrued expenses of PLN 38.4 million, indirect taxes, customs duties and other public charges payable of PLN 42.8 million, liabilities associated with returns and contracts with customers totalling PLN 57.2 million, and employee benefit obligations of PLN 18.0 million.

The increase in short-term provisions was attributable to higher provisioning for returns and complaints (for details, see Note 12.1).

(all amounts in PLN million unless stated otherwise)

As at 31 October 2024, equity stood at PLN 1,990.6 million, having increased by PLN 43.1 million on 31 January 2024. The change was attributable to net profit generated in the nine months ended 30 October 2024.

9. 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 interim condensed consolidated financial statements of the CCC Group.

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

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

10.1. COSTS BY NATURE OF EXPENSE

1 Feb 2024–31 Oct 2024 unaudited, unreviewed	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise sold	-1,472.7	–	–	-1,472.7
Raw material and consumables used	–	-10.8	-2.2	-13.0
Inventory write-downs	3.1	–	–	3.1
Salaries, wages and employee benefits	–	-206.1	-12.1	-218.2
Transport services	–	-28.4	-0.3	-28.7
Rental costs – utilities and other variable costs	–	-127.7	-9.1	-136.8
Advertising	–	-0.2	–	-0.2
Depreciation/amortisation	–	-113.7	-8.8	-122.5
Taxes and charges	–	-14.1	-0.7	-14.8
Other general expenses	–	-29.8	-31.9	-61.7
Total	**-1,469.6**	**-530.8**	**-65.1**	**-2,065.5**

1 Feb 2023–31 Oct 2023 unaudited, unreviewed	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise sold	-1,432.7	–	–	-1,432.7
Raw material and consumables used	–	-12.8	-4.8	-17.6
Inventory write-downs	1.3	–	–	1.3
Salaries, wages and employee benefits	–	-173.0	-13.8	-186.8
Transport services	–	-31.7	-0.6	-32.3
Rental costs – utilities and other variable costs	–	-115.1	-6.8	-121.9
Advertising	–	-0.4	-0.3	-0.7
Depreciation/amortisation	–	-102.7	-8.8	-111.5
Taxes and charges	–	-14.7	-0.8	-15.5
Other general expenses	–	-28.5	-20.8	-49.3
Total	**-1,431.4**	**-478.9**	**-56.7**	**-1,967.0**

1 Aug 2024–31 Oct 2024 unaudited, unreviewed	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise sold	-539.9	–	–	-539.9
Raw material and consumables used	–	-2.5	-0.6	-3.1
Inventory write-downs	1.3	–	–	1.3
Salaries, wages and employee benefits	–	-70.1	-4.9	-75.0
Transport services	–	-10.6	-0.2	-10.8
Rental costs – utilities and other variable costs	–	-45.3	-2.1	-47.4
Advertising	–	-0.2	–	-0.2
Depreciation/amortisation	–	-41.8	-2.9	-44.7
Taxes and charges	–	-5.1	-0.2	-5.3
Other general expenses	–	-9.3	-11.2	-20.5
Total	**-538.6**	**-184.9**	**-22.1**	**-745.6**

(all amounts in PLN million unless stated otherwise)

1 Aug 2023–31 Oct 2023 unaudited, unreviewed	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise sold	-507.5	–	–	-507.5
Raw material and consumables used	–	-4.7	-1.0	-5.7
Inventory write-downs	-0.4	–	–	-0.4
Salaries, wages and employee benefits	–	-58.0	-4.7	-62.7
Transport services	–	-10.5	-0.2	-10.7
Rental costs – utilities and other variable costs	–	-40.9	-2.0	-42.9
Advertising	–	-0.1	-0.1	-0.2
Depreciation/amortisation	–	-36.3	-2.9	-39.2
Taxes and charges	–	-5.6	-0.3	-5.9
Other general expenses	–	-8.3	-6.6	-14.9
Total	**-507.9**	**-164.4**	**-17.8**	**-690.1**

10.2. OTHER INCOME AND EXPENSES, FINANCE INCOME AND COSTS

	1 Feb 2024–31 Oct 2024 unaudited, unreviewed	1 Feb 2023–31 Oct 2023 unaudited, unreviewed	1 Aug 2024–31 Oct 2024 unaudited, unreviewed	1 Aug 2023–31 Oct 2023 unaudited, unreviewed
Other income				
Foreign exchange gains on items other than debt	0.8	–	–	–
Compensation	0.6	1.0	0.4	0.4
PFRON wage subsidies	1.6	0.4	0.5	0.4
Grants	–	0.3	–	0.1
Gain on settlement of contracts with landlords	4.4	8.5	1.6	2.6
Gain on settlement of lease contracts	4.3	2.8	3.0	0.5
Late payment interest	–	0.1	–	0.1
Other	0.5	11.8	-1.7	0.1
Total other income	**12.2**	**24.9**	**3.8**	**4.2**

	1 Feb 2024–31 Oct 2024 unaudited, unreviewed	1 Feb 2023–31 Oct 2023 unaudited, unreviewed	1 Aug 2024–31 Oct 2024 unaudited, unreviewed	1 Aug 2023–31 Oct 2023 unaudited, unreviewed
Other expenses				
Loss on disposal of property, plant and equipment	–	-0.7	–	-0.2
Measurement of assets held for sale at fair value	-10.8	-3.4	–	-1.6
Other	-0.6	–	-0.1	0.2
Total other expenses	**-11.4**	**-4.1**	**-0.1**	**-1.6**

	1 Feb 2024–31 Oct 2024 unaudited, unreviewed	1 Feb 2023–31 Oct 2023 unaudited, unreviewed	1 Aug 2024–31 Oct 2024 unaudited, unreviewed	1 Aug 2023–31 Oct 2023 unaudited, unreviewed
(Recognition)/Reversal of loss allowances (impairment losses on receivables)				
(Recognition)/Reversal of impairment losses on trade receivables	-0.2	-11.0	–	0.1
(Recognition)/Reversal of impairment losses on lease receivables	–	1.0	–	–
Total (recognition)/reversal of expected credit loss allowances	**-0.2**	**-10.0**	**–**	**0.1**

(all amounts in PLN million unless stated otherwise)

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
Finance income				
Interest income on cash in current account and loans	50.7	83.9	13.2	36.2
Foreign exchange gains (losses)	–	23.8	-3.6	-2.2
Income on liquidation of CCC Austria	–	62.7	–	–
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	0.5	1.5	–	–
Other finance income	1.2	0.1	-0.1	-0.1
Guarantees and sureties provided	1.8	2.6	0.5	0.7
Total finance income	**54.2**	**174.6**	**10.0**	**34.6**

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
Finance costs				
Interest on borrowings and bonds	-61.5	-68.4	-17.2	-26.7
Gain (loss) on modification of financial liability	-0.8	-9.0	–	–
Interest on leases	-15.6	-15.5	-5.4	-5.7
Foreign exchange gains (losses)	-0.8	–	-0.8	–
Commission fees paid	-2.1	-1.9	-0.4	-1.5
Guarantees received	-1.6	-2.4	-0.3	-0.7
Total finance costs	**-82.4**	**-97.2**	**-24.1**	**-34.6**

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
(Recognition)/reversal of loss allowances				
(Recognition) / reversal of provisions for sureties provided for credit facilities used by subsidiaries	1.4	35.1	–	–
(Recognition) / reversal of impairment losses on loans and other financial receivables	14.4	10.3	–	–
Total (recognition)/reversal of expected credit loss allowances	**15.8**	**45.4**	**–**	**–**

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed	unaudited, unreviewed
Impairment losses on shares				
Impairment losses on shares	–	-9.2	–	–
Total impairment losses on shares	**–**	**-9.2**	**–**	**–**

11. DEBT; CAPITAL AND LIQUIDITY MANAGEMENT

11.1. 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 recommending the amount of profit distribution, the Management Board will take into account the financial condition and liquidity position of the CCC Group, its existing and future liabilities (including potential restrictions under credit facility agreements and debt instruments in issue), as well as the assessment of the CCC Group's prospects in specific market and macroeconomic conditions. 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 Financial Exposure ratio for the CCC Business Unit must be maintained below 2.0, and for the Group (with the Listing proceeds excluded) – below 3.5; while the projected ratios after dividend payment must not exceed 2.5 for the CCC Business Unit and 3.5 for the Group. In addition, no event of default or risk of an event of default may occur as a result of dividend payment. For detailed information on the financial ratios and dividend policy, refer to the annual 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 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 nine months ended 31 October 2024, basic and diluted earnings per share were PLN 0.63. In the nine months ended 31 October 2024, basic and diluted earnings per share were PLN 2.75.

11.2. LIABILITIES UNDER BORROWINGS AND BONDS

On 12 July 2024 (as announced in Current Report No. 23/2024), CCC S.A. and certain subsidiaries of the CCC Group signed a credit facilities agreement for up to PLN 1.8 billion to refinance existing debt and finance the operations of the CCC Business Unit. The agreement was entered into with BNP Paribas Bank Polska S.A., the European Bank for Reconstruction and Development (EBRD), Bank Polska Kasa Opieki S.A. (the Security Agent), Powszechna Kasa Oszczędności Bank Polski S.A., Santander Bank Polska S.A., mBank S.A. (the Facility Agent and ESG Agent) and Bank Handlowy w Warszawie S.A. The facilities are partly secured with guarantees issued by KUKE (the Polish export credit agency), up to a total of PLN 750.0 million.

The borrowers CCC S.A., HalfPrice Sp. z o.o. and CCC.eu Sp. z o.o. have been granted:

1. a term credit facility of PLN 600 million amortised over a period of five years (to be disbursed in two tranches of PLN 450 million in July 2024 and PLN 150 million in December 2024);
2. a working capital facility in the form of a revolving facility, overdraft facility, and limits on reverse factoring, guarantees and letters of credit, up to a total amount of PLN 1.2 billion, available for a period of two years, to be optionally extended up to five years.

The facilities have been utilised to repay existing debt towards banks financing the operations of the CCC Business Unit, while the tranche scheduled for disbursement by 31 December 2024 will be used by CCC S.A. to redeem its Series 1/2018 (CCC0626) bonds issued pursuant to the 'Terms and Conditions of the Bonds' dated 21 June 2018. However, the bonds are presented as non-current liabilities in these financial statements as they formally mature on 29 June 2026.

In addition, the CCC Business Unit has at its disposal a term credit facility of up to PLN 360.0 million for the redemption of bonds issued to PFR and financing of a new logistics warehouse of HalfPrice Sp. z o.o., which the banks may grant subject to consent of the majority lenders.

Companies standing surety for the borrowers' liabilities are CCC.eu Sp. z o.o., HalfPrice Sp. z o.o., CCC Shoes & Bags Sp. z o.o., CCC Tech Sp. z o.o., CCC Czech, s.r.o., CCC Hungary Shoes Kft. and Shoe Express S.A.

Under the New Syndicated Agreement, the available financing was increased to a total limit above the previous one of PLN 1.2 billion, specifically by increasing the limits on bank guarantees, letters of credit, and reverse factoring. As intended, the execution of the new financing agreement has significantly enhanced the structure of the CCC Business Unit's bank debt. The new financing structure offers greater flexibility to the Business Unit, including through increased limits on bank guarantees, letters of credit, and reverse factoring. It also reduces financing costs and raises the limits on available capital expenditures.

As part of the refinancing process, on 31 July 2024 proceeds of the new financing agreement were used by CCC.eu Sp. z o.o. to repay debt outstanding at CCC S.A. under a PLN 250 million short-term credit facility with a surety from BGK. As a consequence, CCC S.A. offset the resulting liability related to the debt settlement by CCC.eu Sp. z o.o. against its receivables under a loan in the same amount advanced to CCC.eu Sp. z o.o. The remaining debt under the previous financing agreement pertained to CCC.eu Sp. z o.o. and was fully settled by the Facility Agent and ESG Agent as part of settlements between banks forming the syndicate. As part of the new refinancing arrangement, PLN 542.6 million (including PLN 79.6 million in an overdraft facility) was settled, and PLN 801.4 million (including PLN 133.4 million in an overdraft facility) was received.

The Company views this refinancing as the settlement of the original credit facility (resulting in the extinguishment of the liability) and the establishment of a new credit facility. This view is supported by the following factors:

- material qualitative changes to the credit facility agreement (including adjustments to the margin, parties involved, limits and restrictions, ESG-linked provisions, and the obligations of each party);
- the purpose of the refinancing (which is to secure new funding to meet day-to-day business needs, general corporate needs, and capital expenditures, rather than to restructure debt due to financial distress);
- the term of the new credit facility agreement (which is at least as long as the original facility);
- repayment of the original credit facility shortly before its maturity;
- transaction costs that are clearly incremental relative to the issuance of new debt.

The previous credit facility agreement allowed the Company to prepay without incurring additional costs.

The interest rate on the facilities is based on WIBOR plus a margin whose level depends on the Net Exposure to EBITDA ratio.

The syndicated credit facilities are secured by a common security package, which includes:

- KUKE guarantees of up to PLN 750.0 million;
- registered pledges over sets of assets and rights forming an organised whole with variable composition, comprised in a business, as well as selected assets, trademarks and inventories of CCC S.A. and the surety providers;
- registered and financial pledges over shares in CCC's subsidiaries that are the surety providers and over shares in Modivo S.A.;
- registered and financial pledges over bank accounts maintained for CCC S.A. and the surety providers (including powers of attorney over such accounts);
- assignments by way of security of the rights of CCC S.A. and the surety providers under selected insurance contracts;
- mortgages over property of CCC S.A. and CCC.eu Sp. z o.o.; and
- notarised consent to enforcement submitted by CCC S.A. and the surety providers.

The financing terms under the New Syndicated Agreement require the CCC Business Unit to maintain its Net Financial Exposure ratio – as at 31 October 2024 and for each subsequent quarter – at no more than 3.5, its Payments Coverage ratio, DSCR and cash – as at 31 January 2025 and for each subsequent quarter – at no less than 1.2, no less than 1.5, and no less than PLN 160 million, respectively, as well as its annual Capital Expenditure (for the ending year) at no more than PLN 275 million (or PLN 400 million if the Net Financial Exposure ratio falls below 2.0).

For more information on the financing of the Company and its Group, see Note 5.2.

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

(all amounts in PLN million unless stated otherwise)

unaudited, unreviewed	LIABILITIES UNDER BORROWINGS AND BONDS			
	BANK BORROWINGS	OTHER BORROWINGS	BONDS	TOTAL
As at 1 Feb 2024	**249.9**	**350.7**	**190.5**	**791.1**
short-term	249.9	1.8	1.8	253.5
long-term	–	348.9	188.7	537.6
As at 1 Feb 2024	**249.9**	**350.7**	**190.5**	**791.1**
Proceeds from debt contracted				
Interest accrued	10.7	37.1	13.6	61.4
Modification	–	0.7	0.1	0.8
Debt-related payments				
- principal payments	–	-10.0	-20.6	-30.6
- interest paid	-10.4	-23.6	-9.2	-43.2
Change in current account	-0.2	–	–	-0.2
Other non-cash changes	-250.0	0.1	–	-249.9
As at 31 Oct 2024	**–**	**355.0**	**174.4**	**529.4**
short-term	**–**	**5.9**	**6.0**	**11.9**
CCC0626 bond	–	–	*6.0*	*6.0*
Borrowings from subsidiaries	–	*5.9*	–	*5.9*
long-term	**–**	**349.1**	**168.4**	**517.5**
CCC0626 bond	–	–	*168.4*	*168.4*
Borrowings from subsidiaries	–	*349.1*	–	*349.1*

Audited	LIABILITIES UNDER BORROWINGS AND BONDS			
	BANK BORROWINGS	OTHER BORROWINGS	BONDS	TOTAL
As at 1 Feb 2023	**249.2**	**401.7**	**211.3**	**862.2**
short-term	0.1	33.0	21.9	55.0
long-term	249.1	368.7	189.4	807.2
As at 1 Feb 2023	**249.2**	**401.7**	**211.3**	**862.2**
Proceeds from debt contracted				
Interest accrued	22.5	71.8	23.4	117.7
Modification	–	-6.0	–	-6.0
Debt-related payments				
- interest paid	-21.9	-85.6	-23.6	-131.1
Other non-cash changes	0.1	-31.2	–	-31.1
As at 31 Jan 2023	**249.9**	**350.7**	**190.5**	**791.1**
short-term	**249.9**	**1.8**	**1.8**	**253.5**
Credit facility with surety from BGK	*249.7*	–	–	*249.7*
CCC0626 bond	–	–	*1.8*	*1.8*
Borrowings from subsidiaries	–	*1.8*	–	*1.8*
Other	*0.2*	–	–	*0.2*
long-term	**–**	**348.9**	**188.7**	**537.6**
CCC0626 bond	–	–	*188.7*	*188.7*
Borrowings from subsidiaries	–	*348.9*	–	*348.9*

(all amounts in PLN million unless stated otherwise)

11.3. OTHER NON-CURRENT FINANCIAL LIABILITIES

Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Jan 2024
	unaudited, unreviewed	audited
At beginning of period	**6.6**	**6.5**
Effect of measurement at fair value	-0.5	0.1
At end of period	**6.1**	**6.6**

The Company measures at fair value the derivative instrument containing a potential obligation under the Equity Kicker related to the agreement on the loan from CCC Shoes & Bags Sp. z o.o. (concerning the issue of bonds by CCC Shoes & Bags Sp. z o.o. 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 CCC Group. The derivative instrument based on the valuation of Modivo shares was therefore separated (bifurcated) and measured at fair value amounting to PLN 6.1 million as at the reporting date. The change in its measurement in the reporting period was PLN 0.5 million, recognised under finance income.

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:

- Number of shares covered by the Equity Kicker option – 0.72 million;
- Expiry date of the Equity Kicker option – 22 September 2028;
- Risk-free rate – 5.13%;
- Expected volatility – 46.0%;
- Maximum duration of the instrument – 7 years;
- Base rate (3M WIBOR) for the first interest period – 0.24%.

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

11.4. CONTRACTUAL MATURITIES

As at 31 Oct 2024	CONTRACTUAL MATURITIES FROM THE END OF THE REPORTING PERIOD					TOTAL UNDISCOUNTED	CARRYING AMOUNT
unaudited, unreviewed	UP TO 3 MONTHS	3–12 MONTHS	1–3 YEARS	3–5 YEARS	OVER 5 YEARS		
Other borrowings	23.6	22.7	33.6	484.0	–	563.9	355.0
Bonds	8.8	8.7	186.2	–	–	203.7	174.4
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	–	–	–	6.1	–	6.1	6.1
Trade and other payables	216.5	14.2	–	–	–	230.7	230.7
Sureties provided for credit facilities	1,008.0	–	–	–	–	1,008.0	–
Lease liabilities	82.6	120.7	261.7	130.8	74.5	670.3	588.7
Total financial liabilities	**1,339.5**	**166.3**	**481.5**	**620.9**	**74.5**	**2,682.7**	**1,354.9**

As at 31 Jan 2024	CONTRACTUAL MATURITIES FROM THE END OF THE REPORTING PERIOD					TOTAL UNDISCOUNTED	CARRYING AMOUNT
audited	UP TO 3 MONTHS	3–12 MONTHS	1–3 YEARS	3–5 YEARS	OVER 5 YEARS		
Bank borrowings	5.1	260.2	–	–	–	265.3	249.9
Other borrowings	4.6	17.8	37.3	576.0	–	635.7	350.7
Bonds	1.8	19.6	218.5	–	–	239.9	190.5
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	–	–	–	6.6	–	6.6	6.6
Trade and other payables	161.5	2.5	–	–	–	164.0	164.0
Sureties provided for credit facilities	520.3	–	–	–	–	520.3	–
Returns liabilities	13.2	–	–	–	–	13.2	13.2
Lease liabilities	66.5	128.2	271.1	135.5	59.1	660.4	596.6
Total financial liabilities	**773.0**	**428.3**	**526.9**	**718.1**	**59.1**	**2,505.4**	**1,571.5**

Sureties for credit facilities presented in the above notes relate to off-balance-sheet liabilities under financial guarantees provided to subsidiaries. The Company recognised a provision for credit risk related to sureties provided, as discussed in detail in Note 12.2.

(all amounts in PLN million unless stated otherwise)

12. NOTES TO THE INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

12.1. PROVISIONS

unaudited, unreviewed	PROVISION FOR JUBILEE AND RETIREMENT BENEFITS	PROVISION FOR RETURNS AND COMPLAINTS	EXPECTED CREDIT LOSS ALLOWANCE	TOTAL
As at 1 Feb 2024	**5.5**	**0.5**	**9.8**	**15.8**
Recognised	0.6	22.0	–	22.6
Reversed	–	-0.5	-1.3	-1.8
As at 31 Oct 2024	**6.1**	**22.0**	**8.5**	**36.6**
short-term	2.2	22.0	8.5	32.7
long-term	3.9	–	–	3.9

audited	PROVISION FOR JUBILEE AND RETIREMENT BENEFITS	PROVISION FOR RETURNS AND COMPLAINTS	EXPECTED CREDIT LOSS ALLOWANCE	TOTAL
As at 1 Feb 2023	**7.2**	**5.6**	**55.9**	**68.7**
Recognised	1.7	0.5	–	2.2
Used	-1.9	-5.6	–	-7.5
Reversed	-1.5	–	-46.1	-47.6
As at 31 Jan 2024	**5.5**	**0.5**	**9.8**	**15.8**
short-term	1.9	0.5	9.8	12.2
long-term	3.6	–	–	3.6

12.2. CHANGE IN IMPAIRMENT LOSSES/WRITE-DOWNS ON ASSETS AND IN LOSS ALLOWANCES

Impairment losses unaudited, unreviewed	INVENTORIES	TRADE RECEIVABLES	LEASE RECEIVABLES	LOANS	INTERESTS IN SUBSIDIARIES	LOAN SURETIES OF SUBSIDIARIES
As at 1 Feb 2024	**3.9**	**13.2**	**1.3**	**150.6**	**9.2**	**9.8**
Increase	–	0.5	–	–	–	–
Reversed	-3.1	-0.2	–	-14.4	–	-1.4
As at 31 Oct 2024	**0.8**	**13.5**	**1.3**	**136.2**	**9.2**	**8.4**

Impairment losses audited	INVENTORIES	TRADE RECEIVABLES	LEASE RECEIVABLES	LOANS	INTERESTS IN SUBSIDIARIES	LOAN SURETIES OF SUBSIDIARIES
As at 1 Feb 2023	**7.3**	**1.9**	**0.9**	**196.6**	**74.1**	**55.9**
Increase	–	11.7	0.4	1.2	9.2	–
Used	-1.9	–	–	–	-74.1	–
Reversed	-1.5	-0.4	–	-47.2	–	-46.1
As at 31 Jan 2024	**3.9**	**13.2**	**1.3**	**150.6**	**9.2**	**9.8**

(all amounts in PLN million unless stated otherwise)

12.3. DEFERRED TAX ASSETS AND LIABILITIES

unaudited, unreviewed	31 Oct 2024	RECOGNISED / (CHARGED) ON PROFIT OR LOSS	31 Jan 2024
Assets			
Impairment losses/write-downs on assets: inventories and receivables	-1.4	-4.5	3.1
Provisions for liabilities	9.2	6.3	2.9
Other	5.6	3.5	2.1
Tax losses	45.6	–	45.6
Measurement of lease contracts	108.9	-2.6	111.5
CCC Club and similar, and bank guarantees	3.3	0.8	2.5
Total before offset	**171.2**	**3.5**	**167.7**
Liabilities			
Accelerated tax depreciation of property, plant and equipment	2.0	1.0	1.0
Settlement under contracts with landlords	3.5	-0.1	3.6
Measurement of lease contracts	88.8	-5.3	94.1
Other	9.3	1.2	8.1
Total before offset	**103.6**	**-3.2**	**106.8**
Offset	-103.6	3.2	-106.8
Deferred tax balances as disclosed in statement of financial position			
Assets	67.6	6.7	60.9
Liabilities	–	–	–

audited	31 Jan 2024	RECOGNISED / (CHARGED) ON PROFIT OR LOSS	31 Jan 2023
Assets			
Impairment losses/write-downs on assets: inventories and receivables	3.1	1.1	2.0
Provisions for liabilities	2.9	-14.0	16.9
Tax losses	45.6	45.6	–
Measurement of lease contracts	111.5	-16.5	128.0
Other	2.1	-3.6	5.7
Depreciation of property, plant and equipment	–	-1.0	1.0
CCC Club and similar, and bank guarantees	2.5	3.9	-1.4
Total before offset	**167.7**	**15.5**	**152.2**
Liabilities			
Accelerated tax depreciation of property, plant and equipment	1.0	1.0	–
Settlement under contracts with landlords	3.6	-1.2	4.8
Measurement of lease contracts	94.1	-10.0	104.1
Other	8.1	4.7	3.4
Total before offset	**106.8**	**-5.5**	**112.3**
Offset	-106.8	5.5	-112.3
Deferred tax balances as disclosed in statement of financial position			
Assets	60.9	21.0	39.9
Liabilities	–	–	–

The deferred tax asset recognised by CCC S.A. amounting to PLN 45.6 million relates to the equity basket in the income tax calculation of the tax group. The asset relates to capital losses generated in previous years: 2021 (PLN 3.3 million), 2022 (PLN 29.0 million) and 2023 (PLN 13.3 million). The Management Board estimates that capital gains, sufficient to utilise the recognised loss tax, will be generated within the tax group.

(all amounts in PLN million unless stated otherwise)

13. OTHER NOTES

13.1. FINANCIAL INSTRUMENTS

	31 Oct 2024		31 Jan 2024	
	unaudited, unreviewed		audited	
	FINANCIAL ASSETS	FINANCIAL LIABILITIES	FINANCIAL ASSETS	FINANCIAL LIABILITIES
Financial assets at amortised cost	**984.4**	**–**	**1,139.6**	**–**
Loans	689.7	–	921.4	–
Trade receivables	67.7	–	67.2	–
Other financial receivables	15.4	–	–	–
Receivables from sale of property, plant and equipment	2.7	–	1.6	–
Lease receivables	128.6	–	116.0	–
Cash and cash equivalents	80.3	–	33.4	–
Financial liabilities at amortised cost	**–**	**1,348.8**	**–**	**1,564.9**
Liabilities under borrowings and bonds	–	529.4	–	791.1
Trade and other payables	–	230.7	–	164.0
Returns liabilities	–	–	–	13.2
Lease liabilities	–	588.7	–	596.6
Financial liabilities measured at fair value through profit or loss	**–**	**6.1**	**–**	**6.6**
Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	–	6.1	–	6.6

For detailed information on the valuation of the derivative financial instrument embedded in bonds issued to PFR − Equity Kicker, see Note 11. According to the Company's assessment, the fair value of variable-interest loans, trade receivables, receivables due from sale of property, plant and equipment, lease receivables, cash and cash equivalents, derivative financial instruments, current variable-interest 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 non-current variable-interest financing liabilities and lease liabilities, the fair value does not differ materially from their carrying amounts. In the opinion of the Company, the variable interest rates correspond to market interest rates. The fair value of the CCC0626 variable-rate bonds, listed on the regulated Catalyst market, is PLN 171.3 million (carrying amount: PLN 174.4 million).

13.2. RELATED-PARTY TRANSACTIONS

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

	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)
	31 Oct 2024	31 Oct 2024	31 Jan 2024	31 Jan 2024
	unaudited, unreviewed	unaudited, unreviewed	audited	audited
SUBSIDIARIES	524.8	736.6	465.1	1,020.5
ASSOCIATES	–	0.5	0.6	–
ENTITIES RELATED TO KEY MANAGEMENT PERSONNEL	1.5	–	0.5	–
Total	**526.3**	**737.1**	**466.2**	**1,020.5**

	Proceeds from related-party transactions	Purchases from related parties	Proceeds from related-party transactions	Purchases from related parties
	1 Feb 2024–31 Oct 2024	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	1 Feb 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, reviewed	unaudited, reviewed
SUBSIDIARIES	116.1	1,606.1	216.3	1,480.3
ASSOCIATES	0.2	-0.2	0.3	0.3
ENTITIES RELATED TO KEY MANAGEMENT PERSONNEL	–	3.1	–	3.1
Total	**116.3**	**1,609.0**	**216.6**	**1,483.7**

(all amounts in PLN million unless stated otherwise)

	Proceeds from related-party transactions	Purchases from related parties	Proceeds from related-party transactions	Purchases from related parties
	1 Aug 2024–31 Oct 2024	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	1 Aug 2023–31 Oct 2023
	unaudited, unreviewed	unaudited, unreviewed	unaudited, reviewed, restated	unaudited, reviewed, restated
SUBSIDIARIES	32.1	561.1	75.5	550.6
ASSOCIATES	–	-0.3	0.1	0.1
ENTITIES RELATED TO KEY MANAGEMENT PERSONNEL	–	0.9	–	-0.5
Total	**32.1**	**561.7**	**75.6**	**550.2**

13.3. 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 31 January 2024, 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 1 August 2021 to 31 July 2024, which also ended as at the reporting date.

The long-term bonus for the second period was determined in accordance with the scheme rules, based on the difference between the average price of CCC S.A. shares for the three months prior to 31 July 2024, of PLN 124.4, and the incentive scheme price of PLN 118.5. The number of rights to benefit from share appreciation (number of options) used in the valuation was 200,000, with 22 June 2021–31 July 2024 as the vesting period.

The statement of financial position includes a cost of PLN 1.2 million recognised on the valuation of the incentive scheme under administrative expenses, half of which had already been paid as at the reporting date, with the balance due for payment in November 2024. As at 31 January 2024, a provision of PLN 0.02 million was recognised on that account under other current liabilities.

14. EVENTS AFTER THE REPORTING DATE

On 12 November 2024, CCC Shoes & Bags Sp. z o.o. (a subsidiary of CCC S.A.) purchased from MKK3 Sp. z o.o. 250,500 Modivo shares, i.e. approximately 2.5% of the company's share capital, for PLN 97.8 million. Pursuant to the option agreement, the option exercise period with respect to the remaining 2.5% of Modivo shares expires on 30 June 2026. On the same day, CCC Shoes & Bags Sp. z o.o. exercised the option to purchase 12.28% of DeeZee Sp. z o.o. shares for PLN 11.6 million.

The purchase of Modivo shares and DeeZee Sp. z o.o. shares was financed with CCC S.A.'s own funds.

On 20 November 2024, the Management Board of CCC S.A. passed a resolution to exercise the right to early redeem Series 1/2018 (CCC0626) bonds, i.e. to redeem 168,786 bonds with a total nominal value of PLN 168.8 million (and a carrying amount of PLN 174.4 million). The early redemption date was set for 30 December 2024.

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

from 1 February 2024
to 31 October 2024

(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 nine months ended 31 October 2024 contains financial and non-financial data, showing the results and position of the CCC Group on the Polish and European markets. This report is published in the PDF format, in Polish and English. It contains logos and photographs of registered proprietary brands available in CCC, eobuwie and HalfPrice stores.

This report covers the period from 1 February 2024 to 31 October 2024 and contains comparative data for the period from 1 February 2023 to 31 October 2023 and as at 31 January 2024. To keep the information as current as possible, this report includes a summary of material events after the reporting date up to the date of its issue.

BASIS OF PREPARATION OF THE DIRECTORS' REPORT

This Directors' Report on the operations of the CCC Group was prepared in accordance with the consolidated financial statements as well as current and periodic reports. This Directors' Report is consistent with Section 71.3 and Section 71.4 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 29 March 2018, and contains elements required under Section 68.5-6 applicable to issuers of securities in the manufacturing, construction, trade, and services sectors. Other applicable provisions include Art. 55.2.5 in conjunction with Art. 49.2, Art. 49.3 and Art. 63d. of the Accounting Act of 29 September 1994, as well as Section 29.1, 29.2, 29.3 and 29.5 of Rules of Procedure for the Warsaw Stock Exchange.

CCC IN NUMBERS

The data relate to changes in the period 1 February 2024–31 October 2024 relative to the corresponding period of the previous year. Data calculated based on a table representing revenue from continuing operations by operating segment.

		1 Feb 2024–31 Oct 2024	yoy change
CCC GROUP	**Revenue**	**7,621.4**	**+10%**
	E-commerce contribution to sales	43%	-9pp
	Number of markets	23	-8
	Number of stores	1,018	+25
CCC	**Revenue**	**3,260.0**	**+11%**
	Contribution to the CCC Group's revenue	43%	–
	E-commerce contribution to sales	15%	-11pp
	Number of stores	810	-12
HalfPrice	**Revenue**	**1,248.5**	**+27%**
	Contribution to the CCC Group's revenue	16%	+2pp
	E-commerce contribution to sales	–	–
	Number of stores	141	+20
eobuwie	**Revenue**	**2,316.6**	**+8%**
	Contribution to the CCC Group's revenue	30%	-1pp
	E-commerce contribution to sales	88%	-2pp
	Number of stores	51	+1
Modivo	**Revenue**	**733.5**	**-5%**
	Contribution to the CCC Group's revenue	10%	-2pp
	E-commerce contribution to sales	95%	–
	GMV	933.1	-2.3%

15. CCC GROUP'S BUSINESS

The CCC Group (the "CCC Group", the "Group") is a leader of the omnichannel footwear market in Poland and Central Europe. The Group's operations are currently segmented into the following business lines:

CCC **HalfPrice** **eobuwie** **MODIVO** **DeeZee**

The CCC Group encompasses an extensive portfolio of 1,018 offline stores, featuring the CCC, HalfPrice, eobuwie, MODIVO, Boardriders and Worldbox banners, strategically positioned within premier shopping centres and malls. The Group also maintains a robust online presence through numerous e-commerce platforms, serving the Polish market as well as 22 additional territories across Europe and the Middle East.

CCC stores are recognised for their engaging, modern proprietary brands, with several, such as Lasocki, Gino Rossi, Jenny Fairy, Sprandi, and DeeZee, gaining iconic recognition. The stores also offer an extensive selection of licensed sports footwear and children's shoe brands. The CCC Group's portfolio is complemented by third-party brands offered through eobuwie, Modivo, and HalfPrice. The CCC Group offers an extensive and continuously expanding product range, curated to meet the needs of specific consumer segments targeted by its various brands.

16. BUSINESS PROFILE

The CCC Group is a leader of the CEE footwear market, actively expanding its product portfolio to include new categories – mainly clothes offered by the Modivo and HalfPrice business lines.

The Group focuses on Customers, offering them prime quality, fashionable products. In line with 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 of complementary business lines: CCC, HalfPrice, eobuwie and MODIVO. The omnichannel model is based on the overlapping of online and offline sales channels and free migration of Customers between those channels. Expansion of the omnichannel platform is also supported by a number of facilities for Customers, including express delivery, deferred payments, etc.

Products at brick-and-mortar stores are mainly sold under the CCC banner, which offers chiefly well-known proprietary brands (e.g. Lasocki, Jenny Fairy, Gino Rossi) and under the off-price concept called HalfPrice (launched in 2021). In the nine months ended 31 October 2024, the Group's revenue generated through the offline channel accounted for 57% of the total.

The Group is ramping up sales in the fast-growing e-commerce channel. The Group's revenue from this channel, accounting for 43% of the total, is generated through the CCC online stores, as well as through the pure online platforms, i.e. the eobuwie and MODIVO platforms, whose offering includes mainly third-party brands.

The main driver of the Group's revenue growth in the coming years will be strong expansion of the off-price segment.

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

17. FACTORS AND EVENTS WITH BEARING ON THE PERFORMANCE OF THE CCC GROUP

KEY EVENTS FROM 1 FEBRUARY 2024 TO 31 OCTOBER 2024

Q1

– Addition of Hunter to the portfolio of high-margin licensed brands.

Q2

– Completion of refinancing process and securing new finance of PLN 1.8 billion.

Q3

– Appointment of Dariusz Miłek as President of the Management Board of Modivo S.A. to drive deeper integration and more fully capitalise on synergies between CCC Group companies, in order to meet current needs and set strategic growth directions.

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

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.

MACROECONOMIC DEVELOPMENTS IN POLAND AND CENTRAL AND EASTERN EUROPE

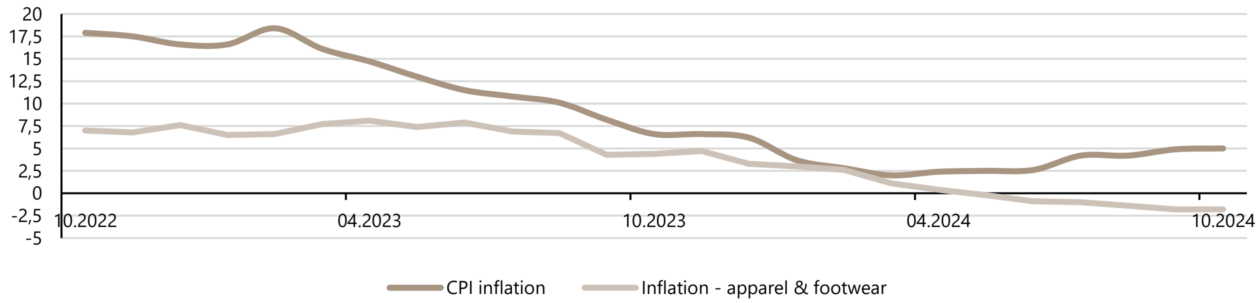
The CCC Group operates mainly on the markets of Central and Eastern Europe, with a key focus on the Polish market. As a result of the location of the Group's sales channels in this region, the condition of the CEE economies has a significant impact on its product sales.

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 in shopping preferences,**

At the start of 2023, inflation peaked following a period of rapid growth in preceding months. Currently, we are witnessing a gradual disinflationary trend. However, it should be noted that since July 2024 inflation has inched up again month over month. In the clothes and footwear category, recent months have seen moderate deflation.

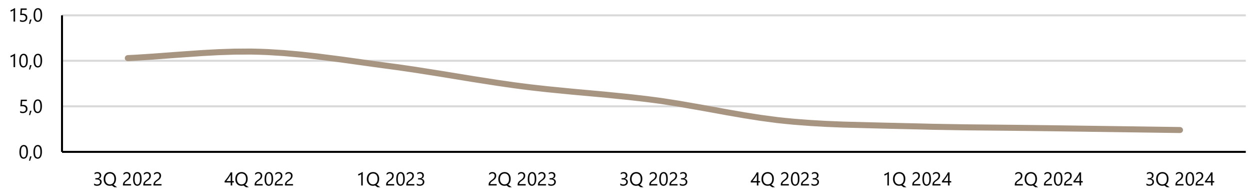
Inflation in Poland [%]



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.

Inflation in the European Union (HICP) [%]



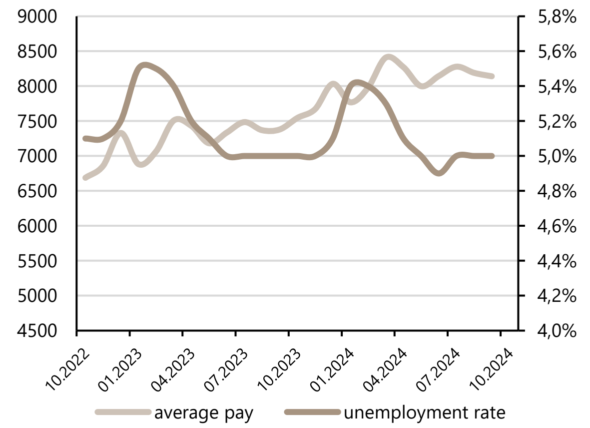
Source: EC

Although inflation has already passed its peak across the European Union, it remains at an elevated level. According to the European Commission's data, the HICP inflation rate was approximately 2.4% for all member states in the third quarter of 2024.

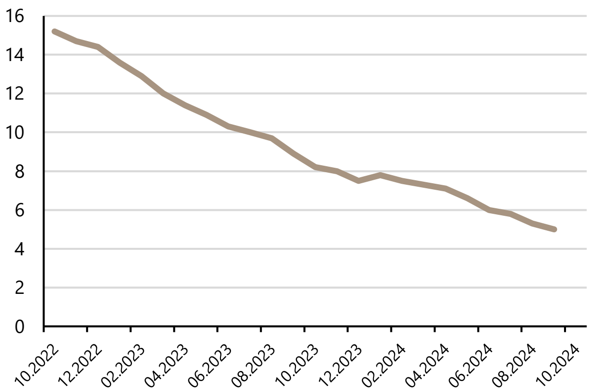
– **cost pressures**

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 [%]

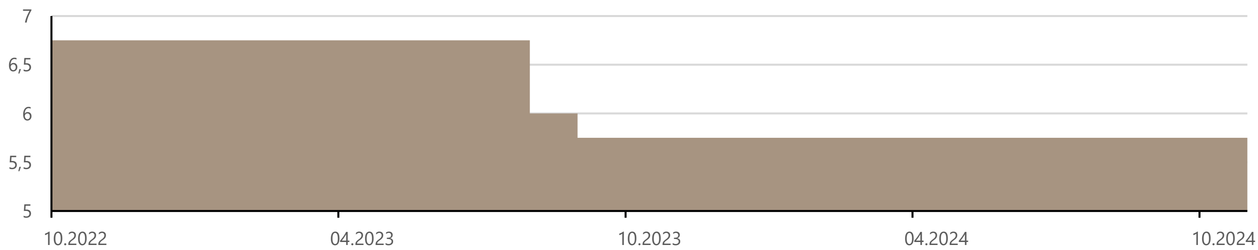


Source: Statistics Poland, National Bank of Poland

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 growth in prices of construction and assembly output has been decelerating gradually since the end of 2022. The CCC Group takes numerous measures to mitigate the inflationary cost increase.

– **interest rate development**

Reference rate in Poland [%]



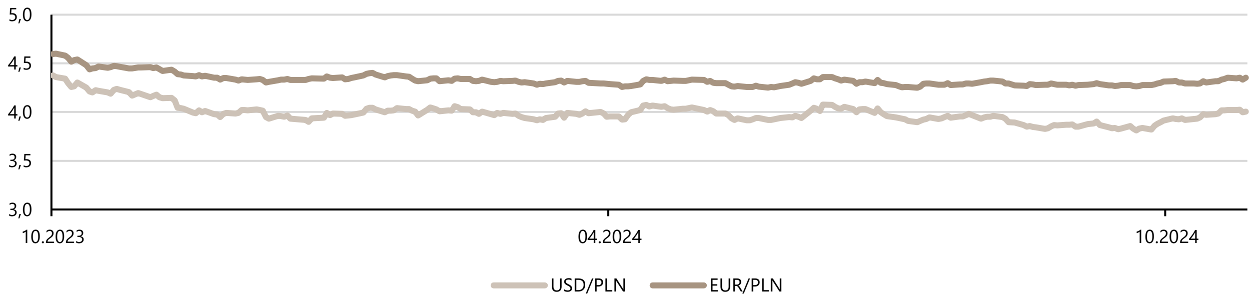
Source: NBP

Due to the strong growth of inflation in Poland, in October 2021 the Monetary Policy Council of the National Bank of Poland embarked on a series of reference rate rises. In September 2022, the reference rate was increased to 6.75%. An interest rate-cutting cycle commenced in September 2023, with the reference rate currently at 5.75%. Interest rate hikes lead to higher debt service costs for the Group.

(all amounts in PLN million unless stated otherwise)

– **foreign exchange**

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



Source: NBP

Throughout 2023, we saw a gradual appreciation of the Polish złoty against the major foreign currencies. In 2024, the exchange rates have remained relatively flat. A depreciation or appreciation of the złoty has an impact 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 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.

CHANGES IN EXCHANGE RATES

Part of the CCC Group's transactions are 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 with purchase prices 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. Additionally, the Group extends loans denominated in foreign currencies.

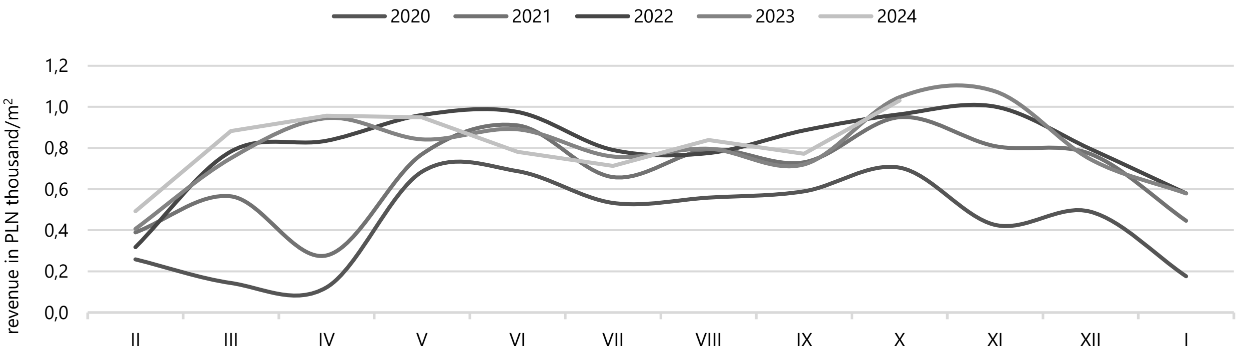
PERIOD (USD/PLN)	HIGH	LOW	END OF PERIOD	MID
1 Feb 2024–31 Oct 2024	4.0760	3.8117	4.0059	3.9592
1 Feb 2023–31 Jan 2024	4.4888	3.8990	4.0135	4.1544
1 Feb 2023–31 Oct 2023	4.4888	3.9451	4.1684	4.2137

PERIOD (EUR/PLN)	HIGH	LOW	END OF PERIOD	MID
1 Feb 2024–31 Oct 2024	4.4016	4.2499	4.3530	4.3032
1 Feb 2023–31 Jan 2024	4.7895	4.3053	4.3434	4.4979
1 Feb 2023–31 Oct 2023	4.7895	4.4135	4.4475	4.5483

18. SEASONALITY

Weather and seasonality have a significant effect on the distribution of revenue during the financial year (with peak demand 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 2020–2024



GEOGRAPHICAL COVERAGE OF CCC GROUP SALES CHANNELS

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	31 Oct 2024		31 Jan 2024	
		m^2	NUMBER	m^2	NUMBER
CCC	Poland	290,986	461	279,641	442
	Romania	46,109	73	46,155	73
	Czech Republic	44,162	72	47,311	77
	Hungary	43,531	63	45,602	65
	Slovakia	29,559	46	30,584	46
	Croatia	18,219	24	18,125	24
	Bulgaria	12,620	19	13,528	21
	Slovenia	9,697	14	9,697	14
	Ukraine	9,057	14	9,788	15
	Serbia	7,004	8	7,004	8
	Estonia	3,283	4	2,948	3
	Latvia	3,059	5	4,192	6
	Lithuania	2,668	4	1,481	2
TOTAL		**519,954**	**807**	**516,056**	**796**
HalfPrice	Poland	191,425	104	169,433	95
	Czech Republic	19,321	8	17,741	7
	Romania	15,020	8	9,661	5
	Hungary	9,845	4	4,135	2
	Slovakia	9,346	5	9,346	5
	Austria	6,208	3	6,208	3
	Ukraine	5,285	2	1,876	1
	Slovenia	4,752	3	4,752	3
	Latvia	3,534	2	1,580	1
	Lithuania	1,986	1	–	–
	Croatia	1,955	1	1,955	1
TOTAL		**268,677**	**141**	**226,687**	**123**
Modivo		32,400	51	36,528	52
Boardriders		3,084	14	–	–
Worldbox		873	2	–	–
TOTAL OWN STORES		**824,988**	**1,015**	**779,271**	**971**

CHAIN	COUNTRY	31 Oct 2024		31 Jan 2024	
		m^{22}	NUMBER	m^{22}	NUMBER
	Kosovo	1,958	2	1,958	2
	Moldova	740	1	740	1
	UAE*	–	–	3,347	3
	Oman	–	–	1,223	1
	Saudi Arabia	–	–	826	1
TOTAL FRANCHISE		**2,698**	**3**	**8,094**	**8**
TOTAL CCC GROUP		**827,686**	**1,018**	**787,365**	**979**

* United Arab Emirates

(all amounts in PLN million unless stated otherwise)

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

19.1. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (KEY ITEMS)

REVENUE

REVENUE [1]						
	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
CCC	3,260.0	2,948.8	*10.6%*	1,198.7	1,059.7	*13.1%*
HalfPrice	1,248.5	982.0	*27.1%*	465.6	393.0	*18.5%*
eobuwie	2,316.6	2,145.9	*8.0%*	805.0	676.3	*19.0%*
MODIVO	733.5	774.3	*-5.3%*	277.2	277.0	*0.1%*
DeeZee	62.8	68.0	*-7.6%*	24.4	24.4	–
Total	**7,621.4**	**6,919.0**	***10.2%***	**2,770.9**	**2,430.4**	***14.0%***

REVENUE [1]						
	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
Poland	4,400.4	3,799.6	*15.8%*	1,597.8	1,367.5	*16.8%*
Central and Eastern Europe	2,550.8	2,486.8	*2.6%*	932.2	856.1	*8.9%*
Western Europe	670.2	632.6	*5.9%*	240.9	206.8	*16.5%*
Total	**7,621.4**	**6,919.0**	***10.2%***	**2,770.9**	**2,430.4**	***14.0%***

[1] Only revenue from external customers.

LIKE-FOR-LIKE STORES

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.

BREAKDOWN OF REVENUE INTO LIKE-FOR-LIKE SALES AND SALES BY NEWLY OPENED OR CLOSED OUTLETS

		LIKE-FOR-LIKE STORES [1]				OTHER STORES [2]		
BUSINESS LINE	SALES CHANNEL	NUMBER	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]
			unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
CCC	Offline	675	2,322.7	2,032.9	*14.3%*	409.3	373.8	*9.5%*
HalfPrice	Offline	77	713.1	681.9	*4.6%*	531.2	267.1	*98.9%*
Total		**752**	**3,035.8**	**2,714.8**	***11.8%***	**940.5**	**640.9**	***46.7%***

[1] Like-for-like stores are stores that operated without interruption in the financial year 2024 and in the comparative period of the financial year 2023.
[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.

Year on year, there was a PLN +321.1 million increase in sales generated by like-for-like stores (+11.8%).
Like-for-like increases were recorded within the CCC and HalfPrice business lines (+14.3% and +4.6%, respectively).
The PLN +620.6 million year-on-year growth in revenue generated by the offline segment was attributable to sales in like-for-like stores (PLN +321.1 million, of which PLN 289.9 million at CCC and PLN +31.2 million at HalfPrice), as well as sales in other stores (PLN +299.5 million, of which PLN 35.4 million at CCC and PLN +264.1 million at HalfPrice).

(all amounts in PLN million unless stated otherwise)

PROFIT BEFORE TAX						
	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
CCC	1,939.0	1,634.0	*18.7%*	702.9	616.1	*14.1%*
HalfPrice	637.1	409.1	*55.7%*	239.1	181.6	*31.7%*
eobuwie	957.2	859.5	*11.4%*	353.1	261.1	*35.2%*
MODIVO	294.6	295.1	*-0.2%*	110.8	102.0	*8.6%*
DeeZee	37.2	37.2	–	14.1	13.2	*6.8%*
Total	**3,865.1**	**3,234.9**	***19.5%***	**1,420.0**	**1,174.0**	***21.0%***

Operating profit (loss)						
	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
CCC	499.0	180.5	*>100%*	183.5	107.1	*71.3%*
HalfPrice	148.8	-10.1	*<-100%*	63.9	25.1	*>100%*
eobuwie	71.6	-68.1	*<-100%*	62.0	-50.8	*<-100%*
MODIVO	20.3	-17.4	*<-100%*	17.4	-7.1	*<-100%*
DeeZee	1.4	3.6	*-61.1%*	1.2	1.9	*-36.8%*
Total	**741.1**	**88.5**	***>100%***	**328.0**	**76.2**	***>100%***

SEGMENT PROFIT (EBITDA)						
	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
CCC	764.1	482.0	*58.5%*	276.4	201.6	*37.1%*
HalfPrice	252.2	68.4	*>100%*	100.1	56.2	*78.1%*
eobuwie	131.9	-8.4	*<-100%*	78.2	-27.9	*<-100%*
MODIVO	36.3	-4.3	*<-100%*	23.0	-2.4	*<-100%*
DeeZee	1.9	4.1	-53.7%	1.3	2.0	-35.0%
Total	**1,186.4**	**541.8**	***>100%***	**479.0**	**229.5**	***>100%***

(all amounts in PLN million unless stated otherwise)

Costs of points of purchase and distribution						
	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
Salaries, wages and employee benefits	-769.7	-736.7	4.5%	-255.6	-250.8	1.9%
Advertising	-662.7	-678.1	-2.3%	-241.4	-224.9	7.3%
Depreciation/amortisation	-396.8	-410.5	-3.3%	-133.6	-138.5	-3.5%
Transport services	-343.2	-343.3	–	-119.6	-112.3	6.5%
Other rental costs – utilities and other variable costs	-319.5	-294.7	8.4%	-112.8	-100.9	11.8%
Other costs	-307.9	-271.6	13.4%	-110.3	-93.7	17.7%
Raw material and consumables used	-74.4	-88.5	-15.9%	-23.2	-21.4	8.4%
Taxes and charges	-37.9	-43.7	-13.3%	-13.4	-19.1	-29.8%
Total	**-2,912.1**	**-2,867.1**	**1.6%**	**-1,009.9**	**-961.6**	**5.0%**

Administrative expenses						
	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
Salaries, wages and employee benefits	-86.2	-135.3	-36.3%	-29.1	-47.2	-38.3%
Other costs	-71.2	-72.5	-1.8%	-24.3	-24.0	1.3%
Depreciation/amortisation	-48.5	-42.8	13.3%	-17.4	-14.8	17.6%
Raw material and consumables used	-21.6	-22.3	-3.1%	-5.7	-8.5	-32.9%
Other rental costs – utilities and other variable costs	-11.9	-16.3	-27.0%	-2.8	-4.5	-37.8%
Taxes and charges	-5.2	-3.9	33.3%	-1.6	-1.3	23.1%
Advertising	-0.4	-0.5	-20.0%	-0.2	-0.1	100.0%
Transport services	-0.8	-0.7	14.3%	-0.5	-0.2	>100%
Total	**-245.8**	**-294.3**	**-16.5%**	**-81.6**	**-100.6**	**-18.9%**

CCC	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
Revenue from sales to external customers	3,260.0	2,948.8	*10.6%*	1,198.7	1,059.7	*13.1%*
Gross profit	**1,939.0**	**1,634.0**	***18.7%***	**702.9**	**616.1**	***14.1%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*59%*	*55%*	–	*59%*	*58%*	–
Costs of points of purchase and distribution	-1,266.6	-1,279.0	-1.0%	-456.9	-420.4	*8.7%*
Administrative expenses	-178.3	-188.5	-5.4%	-57.9	-60.2	-3.8%
Other income and expenses, and (recognition) / reversal of loss allowances	4.9	14.0	-65.0%	-4.6	-28.4	-83.8%
Operating profit (loss)	**499.0**	**180.5**	***>100%***	**183.5**	**107.1**	***71.3%***
Depreciation/amortisation	-265.1	-301.5	-12.1%	-92.9	-94.5	-1.7%
SEGMENT PROFIT (EBITDA)	**764.1**	**482.0**	***58.5%***	**276.4**	**201.6**	***37.1%***

Segment assets:	**31 Oct 2024**	**31 Jan 2024**	**Change [%]**
Inventories	**1,762.1**	**1,181.8**	***49.1%***
in stores	708.6	566.2	*25.2%*
in the central warehouse	1,053.5	615.6	*71.1%*

(all amounts in PLN million unless stated otherwise)

HalfPrice	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
Revenue from sales to external customers	1,248.5	982.0	*27.1%*	465.6	393.0	*18.5%*
Gross profit	**637.1**	**409.1**	***55.7%***	**239.1**	**181.6**	***31.7%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*51%*	*42%*	–	*51%*	*46%*	–
Costs of points of purchase and distribution	-470.3	-399.7	*17.7%*	-169.9	-150.3	*13.0%*
Administrative expenses	-19.6	-20.9	-6.2%	-6.6	-6.4	*3.1%*
Other income and expenses, and (recognition) / reversal of loss allowances	1.6	1.4	*14.3%*	1.3	0.2	*>100%*
Operating profit (loss)	**148.8**	**-10.1**	***<-100%***	**63.9**	**25.1**	***>100%***
Depreciation/amortisation	-103.4	-78.5	*31.7%*	-36.2	-31.1	*16.4%*
SEGMENT PROFIT (EBITDA)	**252.2**	**68.4**	***>100%***	**100.1**	**56.2**	***78.1%***

Segment assets:	**31 Oct 2024**	**31 Jan 2024**	**Change [%]**
Inventories	**803.8**	**659.0**	***22.0%***
in stores	388.4	285.9	*35.9%*
in the central warehouse	415.4	373.1	*11.3%*

eobuwie	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
Revenue from sales to external customers	2,316.6	2,145.9	*8.0%*	805.0	676.3	*19.0%*
Gross profit	**957.2**	**859.5**	***11.4%***	**353.1**	**261.1**	***35.2%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*41%*	*40%*	–	*44%*	*39%*	–
Costs of points of purchase and distribution	-876.9	-866.7	*1.2%*	-281.5	-280.5	*0.4%*
Administrative expenses	-36.3	-61.5	-41.0%	-12.6	-24.7	-49.0%
Other income and expenses, and (recognition) / reversal of loss allowances	27.6	0.6	*>100%*	3.0	-6.7	*<-100%*
Operating profit (loss)	**71.6**	**-68.1**	***<-100%***	**62.0**	**-50.8**	***<-100%***
Depreciation/amortisation	-60.3	-59.7	*1.0%*	-16.2	-22.9	-29.3%
SEGMENT PROFIT (EBITDA)	**131.9**	-8.4	***<-100%***	**78.2**	**-27.9**	***<-100%***

Segment assets:	**31 Oct 2024**	**31 Jan 2024**	**Change [%]**
Inventories	**901.8**	**810.7**	***11.2%***
in stores	93.9	85.9	*9.3%*
in the central warehouse	807.9	724.8	*11.5%*

(all amounts in PLN million unless stated otherwise)

MODIVO	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
Revenue from sales to external customers	733.5	774.3	-5.3%	277.2	277.0	*0.1%*
Gross profit	**294.6**	**295.1**	**-0.2%**	**110.8**	**102.0**	***8.6%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*40%*	*38%*	–	*40%*	*37%*	–
Costs of points of purchase and distribution	-265.9	-292.8	-9.2%	-89.9	-101.0	-11.0%
Administrative expenses	-8.4	-19.7	-57.4%	-3.5	-8.1	-56.8%
Other income and expenses, and (recognition) / reversal of loss allowances	–	–	–	–	–	–
Operating profit (loss)	**20.3**	**-17.4**	***<-100%***	**17.4**	**-7.1**	***<-100%***
Depreciation/amortisation	-16.0	-13.1	*22.1%*	-5.6	-4.7	*19.1%*
SEGMENT PROFIT (EBITDA)	**36.3**	**-4.3**	***<-100%***	**23.0**	**-2.4**	***<-100%***

Segment assets:	**31 Oct 2024**	**31 Jan 2024**	**Change [%]**
Inventories	**303.0**	**239.8**	***26.4%***
in stores	2.6	5.1	-49.0%
in the central warehouse	300.4	234.7	*28.0%*

DeeZee	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, unreviewed	unaudited, unreviewed		unaudited, unreviewed	unaudited, unreviewed	
Revenue from sales to external customers	62.8	68.0	-7.6%	24.4	24.4	–
Gross profit	**37.2**	**37.2**	–	**14.1**	**13.2**	**6.8%**
Gross margin (gross profit on sales/revenue from sales to external customers)	*59%*	*55%*	–	*58%*	*54%*	–
Costs of points of purchase and distribution	-32.4	-28.9	*12.1%*	-11.7	-9.4	*24.5%*
Administrative expenses	-3.2	-3.7	-13.5%	-1.0	-1.2	-16.7%
Other income and expenses, and (recognition) / reversal of loss allowances	-0.2	-1.0	-80.0%	-0.2	-0.7	-71.4%
Operating profit (loss)	**1.4**	**3.6**	**-61.1%**	**1.2**	**1.9**	**-36.8%**
Depreciation/amortisation	-0.5	-0.5	–	-0.1	-0.1	–
SEGMENT PROFIT (EBITDA)	**1.9**	**4.1**	**-53.7%**	**1.3**	**2.0**	**-35.0%**

Segment assets:	**31 Oct 2024**	**31 Jan 2024**	**Change [%]**
Inventories	**30.5**	**20.3**	***50.2%***
in stores	–	–	–
in the central warehouse	30.5	20.3	*50.2%*

EFFECT OF OTHER INCOME AND EXPENSES

Operating income and expenses

In the reporting period, other income and other expenses were PLN 65.4 million and PLN 33.9 million, respectively. On a net basis, the Group generated PLN 31.5 million of other income, compared with PLN 23.4 million of other income in the corresponding period of the previous year. In addition, other income for the reporting period included a reversal of loss allowance for trade receivables of PLN 2.4 million (previous reporting period: recognised loss allowance of PLN 8.4 million).

Operating profit (loss)

Operating profit in the reporting period was PLN 741.1 million, having increased by PLN 652.6 million year on year. Its improvement was mainly driven by gross profit growth (PLN +630.2 million), with cost discipline maintained by the Group.

Finance income and costs

In the reporting period, finance income and finance costs were PLN 2.3 million and PLN 369.9 million, respectively. On a net basis, the Group generated PLN 367.6 million of finance costs, compared with PLN 245.4 million of finance costs in the corresponding period of 2023. The largest items of finance costs were interest expense on borrowings and bonds (PLN 240.0 million, compared with PLN 232.1 million in the comparative period), and interest expense on leases (PLN 75.1 million, compared with PLN 55.7 million in the corresponding period of 2023). The change in finance income was attributable to a change in foreign exchange gains (losses) (with PLN 8.2 million under finance costs, relative to PLN 35.6 million under finance income in the corresponding period of the previous year) and valuation of the options to purchase non-controlling interests (with PLN 26.4 million under finance costs, compared with PLN 20.4 million under finance income in the corresponding period of 2023).

Income tax

In the reporting period, income tax recognised in the statement of comprehensive income increased profit before tax by a total of PLN 89.9 million, including current tax of PLN 27.7 million, deferred tax of PLN 120.6 million, and negative prior year adjustments of PLN 3.0 million.

Net profit or loss

After accounting for finance income and costs, allowances for expected credit losses, share in the loss of an associate and income tax expense, net profit from continuing operations in the reporting period was PLN 463.4 million, having increased by PLN 617.5 million year on year.

(all amounts in PLN million unless stated otherwise)

19.2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (KEY ITEMS)

	31 Oct 2024	31 Jan 2024	Change [%]
	unaudited, unreviewed	audited	
Non-current assets, including:	**3,998.2**	**3,740.5**	**6.9%**
Total property, plant and equipment	1,500.5	1,445.5	3.8%
Right-of-use assets	1,386.6	1,400.1	-1.0%
Deferred tax assets	382.1	248.7	53.6%
Current assets, including:	**5,215.5**	**3,580.9**	**45.6%**
Inventories	3,801.2	2,911.6	30.6%
Cash and cash equivalents	686.4	266.5	>100%
TOTAL ASSETS	**9,213.7**	**7,346.0**	**25.4%**
Non-current liabilities, including:	**2,448.2**	**1,959.3**	**25.0%**
Bank borrowings and bonds	1,100.1	676.6	62.6%
Lease liabilities	1,255.2	1,213.2	3.5%
Current liabilities, including:	**5,366.8**	**4,433.2**	**21.1%**
Bank borrowings and bonds	1,244.8	1,418.8	-12.3%
Trade and other payables	2,704.4	1,820.2	48.6%
TOTAL LIABILITIES	**7,815.0**	**6,392.5**	**22.3%**
EQUITY	**1,398.7**	**953.5**	**46.7%**

	PROPERTY, PLANT AND EQUIPMENT		CHANGE [%]	
	31 Oct 2024	31 Jan 2024	PROPERTY, PLANT AND EQUIPMENT	IN RETAIL SPACE
	unaudited, unreviewed	audited		
Leasehold improvements	**866.9**	**713.1**	**21.6%**	**5.9%**
Distribution	**582.8**	**690.5**	**-15.6%**	
Land, buildings and structures	430.3	450.1	–4.4%	
Machinery and equipment	124.5	179.9	-30.8%	
Property, plant and equipment under construction	28.0	60.5	-53.7%	
Other	**50.8**	**41.9**	**21.2%**	
Total	**1,500.5**	**1,445.5**	**3.8%**	

INVENTORIES			
	31 Oct 2024	31 Jan 2024	change [% yoy]
	unaudited, unreviewed	audited	
CCC	1,762.1	1,181.8	49.1%
HalfPrice	803.8	659.0	22.0%
eobuwie	901.8	810.7	11.2%
Modivo	303.0	239.8	26.4%
DeeZee	30.5	20.3	50.2%
Total	**3,801.2**	**2,911.6**	**30.6%**

(all amounts in PLN million unless stated otherwise)

19.3. CONSOLIDATED STATEMENT OF CASH FLOWS (KEY ITEMS)

	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	1 Aug 2024–31 Oct 2024	1 Aug 2023–31 Oct 2023	Change [%]
	unaudited, reviewed	unaudited, reviewed		unaudited, unreviewed	unaudited, unreviewed	
Profit (loss) before tax	**373.5**	**-156.9**	**<-100%**	**201.9**	**-28.8**	**<-100%**
Adjustments	782.7	662.4	18.2%	269.6	268.1	0.6%
Income tax paid	-11.6	-19.9	-41.7%	-17.0	20.4	<-100%
Cash flow before changes in working capital	**1,144.6**	**485.6**	–	**454.5**	**259.7**	**75.0%**
Changes in working capital	-150.9	335.5	<-100%	283.2	27.1	>100%
Cash flows from operating activities	**993.7**	**821.1**	**21.0%**	**737.7**	**286.8**	**>100%**
Cash flows from investing activities	**-246.0**	**-257.0**	**-4.3%**	**-130.8**	**-46.3**	**>100%**
Cash flows from financing activities, including:	**-327.8**	**-389.2**	**-15.8%**	**-263.9**	**-93.3**	**>100%**
Proceeds from borrowings	176.9	120.9	46.3%	-108.2	91.6	<-100%
Repayment of borrowings	-70.6	-541.0	-87.0%	-42.6	-53.1	-19.8%
Lease payments	-274.2	-292.0	-6.1%	-80.4	-91.6	-12.2%
Interest paid	-167.3	-197.8	-15.4%	-45.8	-40.2	13.9%
Net proceeds from share issue	–	501.6	–100.0%	–	–	–
TOTAL CASH FLOWS	**419.9**	**174.9**	**>100%**	**343.0**	**147.2**	**>100%**
Cash and cash equivalents at end of period	**686.4**	**570.3**	**20.4%**	**686.4**	**570.3**	**20.4%**

19.4. RATIOS

Profitability ratios	1 Feb 2024–31 Oct 2024	1 Feb 2023–31 Oct 2023	Change [%]	change [% qoq]
Gross profit margin	50.7%	46.8%	4.0%	0.3%
Operating profit (loss) margin	9.7%	1.3%	8.4%	1.2%
Net profit (loss) margin	6.1%	-2.2%	8.3%	-0.2%

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	31 Oct 2024	31 Jan 2024	change	change [qoq]
Current ratio	1.0	0.8	0.2	–
Quick ratio	0.3	0.2	0.1	–
Inventory cycle (days)	257.0	210.6	46.4	45.3
Average collection period (days)	10.2	6.4	3.9	4.2
Average payment period (days)	170.6	139.4	31.2	35.8

The **current ratio** is calculated as the ratio of current assets to the carrying amount of current liabilities.
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 four 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 four 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 amount of trade and other payables for the last four quarters to cost of sales, multiplied by the number of days in the period.

(all amounts in PLN million unless stated otherwise)

Operating efficiency ratios	31 Oct 2024	31 Jan 2024	Change [%]	change [% qoq]
Equity to non-current assets ratio	35.0%	25.5%	9.5%	9.8%
Debt ratio	25.5%	28.5%	-3.1%	-2.2%
Short-term debt ratio	13.5%	19.3%	-5.8%	-4.8%
Long-term debt ratio	11.9%	9.2%	2.7%	2.6%

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 profit guidance has been published.

20. TRADING UPDATE

It must be noted that the revenue figures for the period from 1 November to 24 November 2024 are not directly comparable to the results for the same period last year owing to an unfavourable calendar effect, including the later timing of the Black Week, a major sales peak of the fourth quarter and the entire year, which elevated the comparative base (in 2024, the Black Week falls from 25 November to 1 December, compared to 20 November to 26 November in 2023).

In the period from 1 November to 24 November 2024, the CCC Group's revenue reached PLN 934.9 million, having increased by 10.3% year on year (the sales growth in local currencies was +14.3%). Like-for-like (LfL) growth was positive for the CCC and HalfPrice business lines. The Group's gross operating margin (before royalties) improved to 51.1%, up by 4.1pp year on year (52.7% and +5.8pp, respectively, in local currencies), driven by a 20.0% increase in gross profit (+28.4% in local currencies).

In view of the demanding comparative base attributable to the calendar effect, the Management Board is very satisfied with the revenue growth achieved in the period. The Management Board views the recorded revenue and gross profit levels as an excellent starting point for the fourth quarter, especially with the upcoming sales peaks of the Black Week and pre-Christmas season (relevant mainly to HalfPrice).

Strict cost discipline across all business lines remains a top priority for the Group. Efforts to enhance the profitability of the Modivo Group's operations, in particular through a reduction of administrative expenses and enhanced performance marketing initiatives, continue effectively on track.

(all amounts in PLN million unless stated otherwise)

21. COVENANTS / FINANCIAL RATIOS

CCC GROUP

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

- **CCC Business Unit** (the CCC Group excluding the Modivo Business Unit); and separately for
- **Modivo Business Unit** (MODIVO S.A. and all its subsidiaries).

For detailed information on the financing arrangements and covenants, see the 'Covenants/financial ratios' section of the Directors' Report on the operations of the CCC Group in 2023.

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.

MODIVO Business Unit	31 Oct 2024	31 Jan 2024	Δ 31 Oct 2024–31 Jan 2024	Change [%]
Gross debt*	**1,174.7**	**1,025.0**	**149.7**	**14.6%**
(-) Cash	135.9	112.0	23.9	21.3%
(-) Convertible bonds issued to Softbank	865.7	739.0	126.7	17.1%
Net financial debt	**173.1**	**174.0**	**-0.9**	**-0.5%**
Reverse factoring	**314.2**	**234.0**	**80.2**	**34.3%**

* Excluding reverse factoring (reverse factoring is included in the definition of a bank covenant applicable to MODIVO S.A.'s gross debt).

CCC Business Unit	31 Oct 2024	31 Jan 2024	Δ 31 Oct 2024–31 Jan 2024	Change [%]
Gross debt	**1,170.2**	**1,070.4**	**99.8**	**9.3%**
(-) Cash	550.5	155.0	395.5	>100%
Net debt	**619.7**	**915.4**	**-295.7**	**-32.3%**
(-) Bonds issued to PFR*	346.5	345.0	1.5	0.4%
(+/-) other adjustments **	-11.6	-5.0	-6.6	>100%
Net financial debt	**261.6**	**565.4**	**-303.8**	**-53.7%**
(+) Reverse factoring	587.6	232.0	355.6	>100%
(+) Bank guarantees	141.9	119.0	22.9	19.2%
Net exposure	**991.1**	**916.4**	**74.7**	**8.1%**

* Debt Under bonds issued to PFR is not included in covenants; in the financial statements, its amount is included in liabilities under borrowings and bonds and in other financial liabilities.
** For the purpose of calculating the net exposure covenant – adjustments for measurement of derivatives and SCN.

CCC BUSINESS UNIT'S RATIOS REVIEWED AS AT THE REPORTING DATE

In the Management Board's opinion as at 31 October 2024, none of the financial ratios were breached during the reporting period and until the date of authorisation of this report for issue.

Under the ordinary bonds issue agreement (ISIN: PLCCC0000081) of 17 May 2021, as amended, the CCC Business Unit is required to test the following ratio as at 31 October 2024:

Net Exposure/EBITDA for the CCC Business Unit not higher than 3.0x.

Gross Financial Debt means the aggregate amount of liabilities of the CCC Business Unit entities (the Group excluding The MODIVO Business Unit) under the following: bank and non-bank borrowings, bonds in 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.

Under the new Syndicated Agreement of 12 July 2024, the CCC Business Unit is required to test the following ratio as at 31 October 2024:

<u>**Net Financial Exposure Ratio of the CCC Business Unit** not higher than 3.5x.</u>

For each calculation period, the Net Financial Exposure Ratio may not exceed 3.5x. The first testing date for the Net Financial Exposure Ratio will be 31 October 2024, whereupon the covenant will be tested as at the end of each quarter of the financial year, i.e. 31 January, 30 April, 31 July and 31 October.

The Net Financial Exposure Ratio is calculated as Net Financial Exposure to Consolidated EBITDA.

Net Financial Exposure is defined as the total amount of all liabilities of CCC Group members relating to or arising from Financial Debt existing at any given time, but:

- excluding any liabilities owed to other members of the CCC Group;
- excluding the capitalised value of leases falling under IFRS 16;
- excluding utilised limits on guarantees and letters of credit, as long as the liabilities arising from them remain off-balance-sheet;
- less the total amount of consolidated cash and cash equivalents.

CCC BUSINESS UNIT'S RATIOS REVIEWED <u>AFTER THE REPORTING DATE</u>

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.

Financial ratios applicable under the new Syndicated Agreement of 12 July 2024 to be tested at the CCC Business Unit after the reporting date:

a) Net Financial Exposure Ratio of the CCC Business Unit

For each calculation period, the Net Financial Exposure Ratio may not be greater than 3.5x. The covenant will be tested as at the end of each quarter of the financial year, i.e. 31 January, 30 April, 31 July and 31 October.

The Net Financial Exposure Ratio is calculated as Net Financial Exposure to Consolidated EBITDA.

Net Financial Exposure is defined as the total amount of all liabilities of CCC Group members relating to or arising from Financial Debt existing at any given time, but:

- excluding any liabilities owed to other members of the CCC Group;
- excluding the capitalised value of leases falling under IFRS 16;
- excluding utilised limits on guarantees and letters of credit, as long as the liabilities arising from them remain off-balance-sheet;
- less the total amount of consolidated cash and cash equivalents.

b) DSCR

For each calculation period, DSCR may not be lower than 1.5x. The first testing date for DSCR will be 31 January 2025, whereupon the covenant will be tested as at the end of each quarter of the financial year, i.e. 31 January, 30 April, 31 July and 31 October.

DSCR is calculated as: (Consolidated EBITDA - Tax Paid)/Consolidated Debt Service.

c) Payments Coverage Ratio

For each calculation period, the Payments Coverage Ratio may not be lower than 1.2x. The first testing date for the Payments Coverage Ratio will be 31 January 2025, whereupon the covenant will be tested as at the end of each quarter of the financial year, i.e. 31 January, 30 April, 31 July and 31 October.

The ratio is calculated as consolidated EBITDA less taxes paid, changes in working capital and capital expenditures (excluding those related to the HalfPrice warehouse), plus consolidated cash, and less net changes in the revolving credit facility in the 12 months preceding the relevant period, divided by the consolidated debt service amount.

d) Cash Coverage Ratio

For each calculation period, the Cash Coverage Ratio must be no less than PLN 160.0 million. Cash means cash in hand or cash deposited in bank accounts in the name of a CCC Group member at the Bank, to which the CCC Group member (independently or together with other Group members) is entitled and which it may freely use at its own discretion. The first testing date for the Cash Coverage Ratio will be 31 January 2025, whereupon the covenant will be tested as at the end of each half of the financial year, i.e. 31 January and 31 July.

(all amounts in PLN million unless stated otherwise)

e) CAPEX

Net Financial Exposure Ratio	CAPEX
Greater than or equal to 2.0	275,000,000 PLN
Lower than 2.0	400,000,000 PLN

The CAPEX ratio will be tested at the end of each financial year, i.e. 31 January and subsequent dates.
CAPEX means:

- Cash flows classified by the Company as purchase of property, plant and equipment, intangible assets and other non-current assets, excluding capitalised development expense and cost of self-constructed non-current assets;
- Cash flows classified by the Company as acquisition of equity or debt instruments of other entities and interests in joint ventures;
- The value of assets acquired under finance leases that, prior to the adoption of IFRS 16, would be considered finance lease liabilities. This does not include lease liabilities currently classified as operating leases in accordance with IFRS 17.
- In addition, the agreement includes a provision stating that capital expenditures incurred by the Group for the HalfPrice logistics warehouse must not exceed PLN 150 million (this amount is not included in the limits outlined in the table above).

Annual ESG targets

Key Performance Indicators (KPIs)	2024	2025	2026	2027	2028	2029	2030
KPI 1 Reduction of Scope 1 and 2 GHG emissions	8%	16%	24%	32%	40%	48%	56%
KPI 2 Reduction of Scope 3 GHG emissions	17%	20%	24%	28%	32%	35%	40%
KPI 3 Reduction of natural leather consumption to manufacture proprietary brand and licensed products	15%	20%	25%	30%	34%	38%	40%
KPI 4 Share of pre-owned footwear and clothing in total sales	0.2%	0.5%	1.0%	2.0%	4.0%	6.0%	8.0%

MODIVO BUSINESS UNIT'S RATIOS REVIEWED AS AT THE REPORTING DATE

The Modivo Business Unit comprises MODIVO S.A. and all its subsidiaries. As at 31 October 2024, in the Management Board's opinion none of the financial covenants were breached during the reporting period and until the date of authorisation of this report for issue. In accordance with the credit facility and factoring agreements in force, the MODIVO Business Unit is obliged to test, among others:

a) DSCR of >= 1.2

This ratio is tested on a quarterly basis, with the first testing date falling on 31 October 2024 as per the credit facility amendment executed with PKO BP on 27 March 2024 (extending the original testing date from 31 July 2024). This covenant is not present in the other financing agreements.

MODIVO BUSINESS UNIT'S RATIOS REVIEWED AFTER THE REPORTING DATE

After the reporting date, the MODIVO Business Unit must test the following ratios:

a) Net Financial Debt/EBITDA not higher than 3.5.

This ratio is calculated every six months but will not be reviewed until 31 January 2025, as MODIVO S.A. secured prior waivers from the testing of the Net Financial Debt/EBITDA ratio as at 31 July 2024 from PEKAO S.A. (on 26 March 2024), PKO BP (on 27 March 2024), PEKAO Faktoring Sp. z o.o. (on 27 March 2024), and an entity of the Softbank Group as a bondholder (on 2 April 2024).

On 20 September 2024, MODIVO S.A. received consent from PEKAO S.A. and PEKAO Faktoring Sp. z o.o. to suspend the testing of the Net Financial Debt/EBITDA ratio as at 31 January 2025. Additionally, a one-time test of Net Financial Debt excluding bonds was established for the period ending 31 January 2025, not to exceed PLN 548.0 million.

On 20 September 2024, MODIVO S.A. received consent from PKO BP to change the Net Financial Debt/EBITDA covenant, to be tested on 31 January 2025, from a level not exceeding 3.5 to a level not exceeding 5.5.
In the case of the bondholder Softbank Vision Fund II Motion Subco (DE) LLC, the ratio is set at a level not higher than 5:0. For the bond covenant, a breach occurs if the covenant is not met twice.

(all amounts in PLN million unless stated otherwise)

b) DSCR of >= 1.2

This ratio is tested on a quarterly basis, with the first testing date falling on 31 October 2024 as per the credit facility amendment executed with PKO BP on 27 March 2024 (extending the original testing date from 31 July 2024). This covenant is not present in the other financing agreements.

The ratio is defined as (EBITDA decreased by corporate income tax) divided by the sum of interest, principal and lease payments (excluding amounts resulting from the implementation of IFRS 16) and other debt obligations for the 12 months ended on the ratio calculation date.

FINANCIAL INSTRUMENTS

As at the reporting date, the Company 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.

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.

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 interim condensed consolidated financial statements.

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 31 October 2024 were:

1) ULTRO S.a.r.l. (a subsidiary of Dariusz Miłek), which held 23,010,000 Company shares, representing 33.41% of the share capital and 39.14% of total voting rights;

2) Allianz Polska OFE*, which held 4,367,006 Company shares, representing 6.34% of the share capital and 5.78% of total voting rights;

3) Nationale-Nederlanden OFE*, which held 4,267,000 Company shares, representing 6.20% of the share capital and 5.65% of total voting rights;

4) Funds managed by AgioFunds TFI S.A., which held 3,874,064 Company shares, representing 5.63% of the share capital and 5.13% of total voting rights.

SHAREHOLDER	NUMBER OF SHARES HELD	% OWNERSHIP INTEREST	NUMBER OF VOTING RIGHTS	% VOTING INTEREST
Ultro S.a.r.l.	23,010,000	33.41%	29,560,000	39.14%
Allianz Polska OFE*	4,367,006	6.34%	4,367,006	5.78%
Nationale-Nederlanden OFE*	4,267,000	6.20%	4,267,000	5.65%
Funds managed by AgioFunds TFI S.A.	3,874,064	5.63%	3,874,064	5.13%
Other investors**	33,349,930	48.42%	33,449,930	44.30%
total:	**68,868,000**	**100.00%**	**75,518,000**	**100.00%**

* As per the list of shareholders entitled to participate in the Extraordinary General Meeting on 20 June 2024.

** Other investors holding less than 5% of voting rights.

SHARES IN THE PARENT AND IN RELATED ENTITIES HELD BY MANAGEMENT AND SUPERVISORY PERSONNEL

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)
Supervisory Board		
Mariusz Gnych, Member of the Supervisory Board	5,112	511.2
PERA Fundacja Rodzinna (subsidiary of Mariusz Gnych, Member of the Supervisory Board)	202,000	20,200.0
Management Board		
Ultro S.a.r.l. (subsidiary of Dariusz Miłek, President of CCC S.A.)	23,010,000	2,301,000.0
Vice President of CCC S.A. Karol Półtorak	55,000	5,500.0

(all amounts in PLN million unless stated otherwise)

On 24 July 2024, CCC S.A. received:
1. notification submitted by Mariusz Gnych, Member of the Company's Supervisory Board, of a donation of Company shares he had made;
2. notification submitted by the family trust under the name of PERA Fundacja Rodzinna – a person closely associated with Mariusz Gnych, Member of the Company's Supervisory Board, of a donation of Company shares it had received.

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 S.a.r.l. (subsidiary of Dariusz Miłek, President of CCC S.A.)	6,550,000	9.51%	13,100,000	17.35%
Lech Chudy	50,000	0.07%	100,000	0.13%
PERA Fundacja Rodzinna (subsidiary of Mariusz Gnych, Member of the Supervisory Board)	50,000	0.07%	100,000	0.13%
Total	**6,650,000**	**9.66%**	**13,300,000**	**17.61%**

22. MANAGEMENT BOARD AND SUPERVISORY BOARD

As at 31 October 2024, the Management Board and the Supervisory Board of CCC S.A. consisted of:

Full name of Management Board Member	Position held
Dariusz Miłek	President of the Management Board
Karol Półtorak	Vice President of the Management Board

Full name of Supervisory Board Member	Position held
Wiesław Oleś	Chair of the Supervisory Board (appointed on 12 June 2023)
Mariusz Gnych	Deputy Chair of the Supervisory Board (appointed on 12 June 2023), member of the Audit Committee
Filip Gorczyca	Member of the Supervisory Board (appointed on 11 April 2019), Chair of the Audit Committee
Zofia Dzik	Member of the Supervisory Board (appointed on 18 June 2019), member of the Audit Committee
Piotr Kamiński	Member of the Supervisory Board (appointed on 12 June 2023)
Marcin Stańko	Member of the Supervisory Board (appointed on 12 June 2023)

On 24 October 2024, CCC S.A. received a statement from Mariusz Gnych wherein he resigned as Member of the Company's Supervisory Board for personal reasons, with effect from 31 October 2024.

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

23. OTHER INFORMATION

Items that are unusual because of their nature, value or frequency and which affect assets, liabilities, equity, net income or cash flows

Not applicable.

Impairment losses, provisions and deferred tax

See the 'Interim condensed consolidated financial statements' in this report.

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 occurred in the reporting period. The transactions occurring after the reporting date are described in the section on events subsequent to the reporting date.

Material proceedings pending before court, competent arbitration authority or public administration authority, concerning liabilities and receivables of the Company 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 Company's position

In September 2024, CCC S.A. was served with a lawsuit seeking a declaration of nullity for the agreement regarding the acquisition of three word and logo trademarks 'Lasocki', which was executed in 2000. The plaintiff has valued the subject of the dispute at PLN 0.1 million. The Company is not currently using the disputed trademarks. However, over the past several years, it has registered and is using several other trademarks that include the word 'Lasocki'. The Company considers the lawsuit to be entirely unfounded. Nevertheless, the Management Board anticipates a lengthy legal dispute.

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 purchase price (amortised cost)

Changes in economic environment and trading conditions with a material effect on the fair value of financial assets are disclosed in the section on going concern and events subsequent to the reporting date.

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 Company 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 Company'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

On 20 November 2024, the Management Board passed a resolution to exercise the right to early redeem Series 1/2018 bonds, i.e. to redeem 168,786 Bonds with a nominal value of PLN 1,000.00 per bond and total nominal value of PLN 168,786,000.00, pursuant to Section 13.1 (Voluntary early redemption of the Bonds at the Issuer's option) of the 'Terms and Conditions of Bonds' recorded in the Bond Register with the possibility of transfer to the CSDP depository, prepared in Polkowice on 21 June 2018 (the "Terms and Conditions of the Bonds").

The early redemption date was set in accordance with Section 13.1 of the Terms and Conditions of the Bonds for the Interest Payment Date falling on 29 December 2024, although – pursuant to Section 10(d) (ii) of the Terms and Conditions of the Bonds – payments to Bondholders will be made on 30 December 2024, i.e. on the business day immediately following the Interest Payment Date.

The record date for determining the holders of Bonds eligible for early redemption is the date falling six business days prior to the early redemption date.

The early redemption will be effected through payment to the Bondholders of the nominal value of the Bonds increased by:

1) total interest accrued on the Bonds until the Interest Payment Date on which the early redemption takes place (excluding that date);
2) a premium of PLN 5.0 per Bond being redeemed, in accordance with Section 13.1 of the Terms and Conditions of the Bonds.

Payments on account of the early redemption of the Bonds will be made through the Central Securities Depository of Poland (the "CSDP") and the relevant account operator pursuant to and in accordance with the applicable regulations of the CSDP and the rules and regulations of the relevant account operator. The early redemption of the Bonds will be carried out in accordance with the applicable laws taking into account the regulations in place at the CSDP.

In connection with the intention to early redeem the Bonds, the Company's Management Board will apply to the Warsaw Stock Exchange and to Bondspot S.A. for suspension of trading in the Bonds in the Catalyst alternative trading system.

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 Company's assets, financial condition and profit/loss

Not applicable.

Changes to the organisation of the Company'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 Company 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 provided by the Company or its subsidiary where the aggregate value of such outstanding sureties or guarantees provided 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 Company's 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 its management staff

Not applicable.

Share buy-back

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

Limitations on voting rights at the Company

In the reporting period, there were no limitations on the exercise of voting rights at the Company.

Company's branches (establishments)

As at the reporting date, the Parent had no branches (establishments).

Major R&D achievements

Not applicable.

(all amounts in PLN million unless stated otherwise)

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 beyond

No such factors or events were identified except as disclosed in the section on going concern and events subsequent to the reporting date.

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 Company's future financial results

On 12 November 2024, CCC Shoes & Bags Sp. z o.o. (a subsidiary of CCC S.A.) purchased from MKK3 Sp. z o.o. 250,500 Modivo shares, i.e. approximately 2.5% of the company's share capital, for PLN 97.8 million. Pursuant to the option agreement, the option exercise period with respect to the remaining 2.5% of Modivo shares expires on 30 June 2026. On the same day, CCC Shoes & Bags Sp. z o.o. exercised the option to purchase 12.28% of DeeZee Sp. z o.o. shares for PLN 11.6 million.

The purchase of Modivo shares and DeeZee Sp. z o.o. shares was financed with CCC S.A.'s own funds.

On 20 November 2024, the Management Board of CCC S.A. passed a resolution to exercise the right to early redeem Series 1/2018 (CCC0626) bonds, i.e. to redeem 168,786 bonds with a total nominal value of PLN 168.8 million (and a carrying amount of PLN 174.4 million). The early redemption date was set for 30 December 2024.

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 Management Board of CCC S.A. on 27 October 2024.

The interim condensed consolidated financial report was authorised for issue by the Management Board on 27 October 2024.	
Edyta Skrzypiec - Rychlik	Chief Accountant
Signatures of all Management Board Members:	
Dariusz Miłek	President of the Management Board
Karol Półtorak	Vice President of the Management Board