

CCC

eobuwie.pl

MODIVO

HalfPrice

DeeZee

May 2022

# CCC Group results presentation

Q1 2022



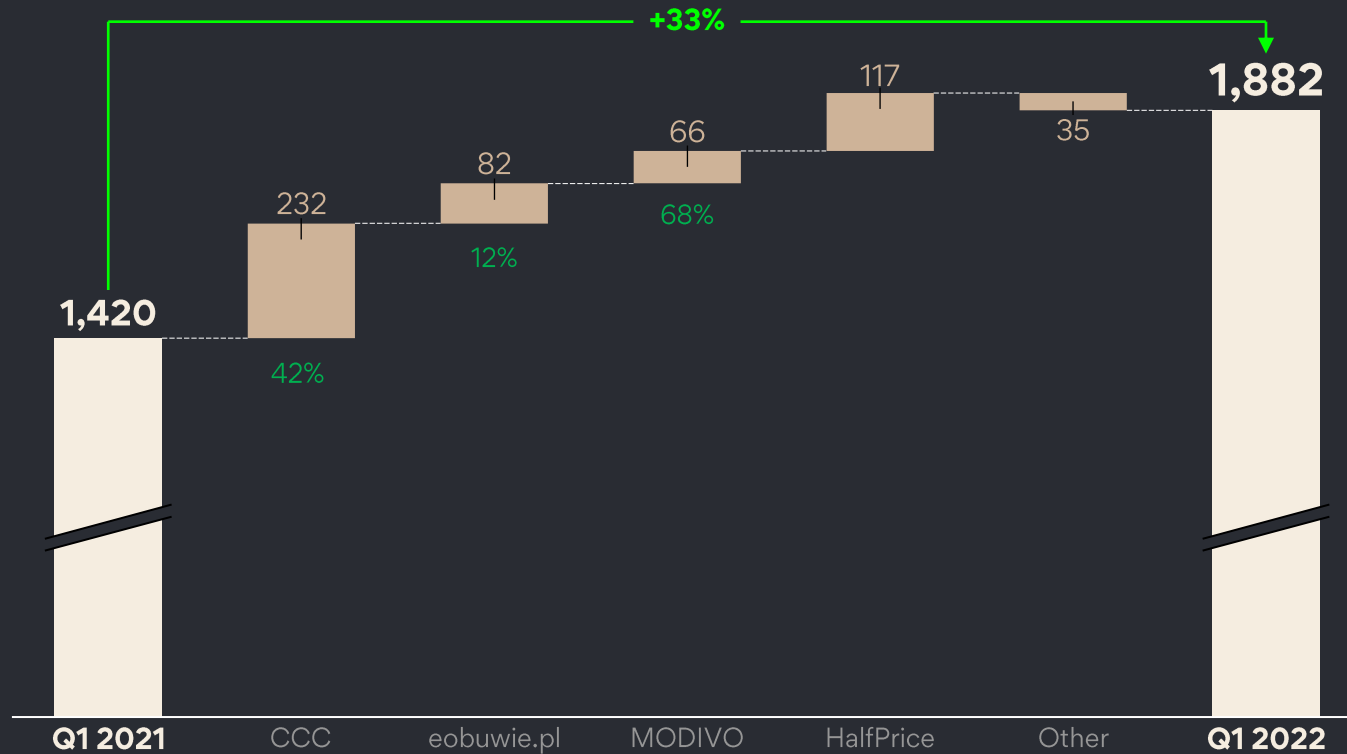
photo: Jenny Fairy, SS22

# Key developments

- 1 Strong revenue growth delivered across all segments
- 2 Another surge in gross margin reported by the Group
- 3 Modivo S.A. by far outperforms online competitors
- 4 Major progress in working capital optimisation
- 5 Strong start into the second quarter



Strong revenue growth...  
across all segments...



#### Change in CCC Group's revenue [PLNm]

Whenever used in this presentation, the terms 'year' and 'financial year' mean a period beginning February 1st and ending January 31st. Russian operations transferred to discontinued operations

... and a very large share of  
e-commerce reported by the  
Group

#### SHARE OF E-COMMERCE

**55%**

-7pp YoY

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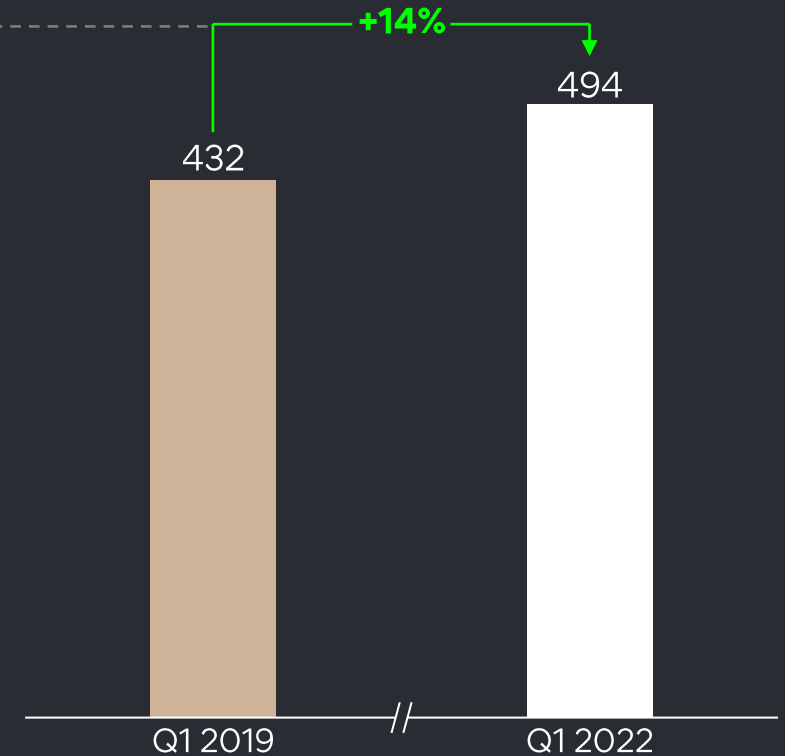
CCC as the  
omnichannel  
footwear market  
leader  
in the CEE region



Surge in key product KPIs  
above pre-pandemic levels...

... as a catalyst for  
improvement in sales/m<sup>2</sup>

Traffic [person/m <sup>2</sup> ]	▼ -25%
Conversion [%]	- N/C
Items per receipt	▲ +14%
Average receipt amount [PLN]	▲ +25%



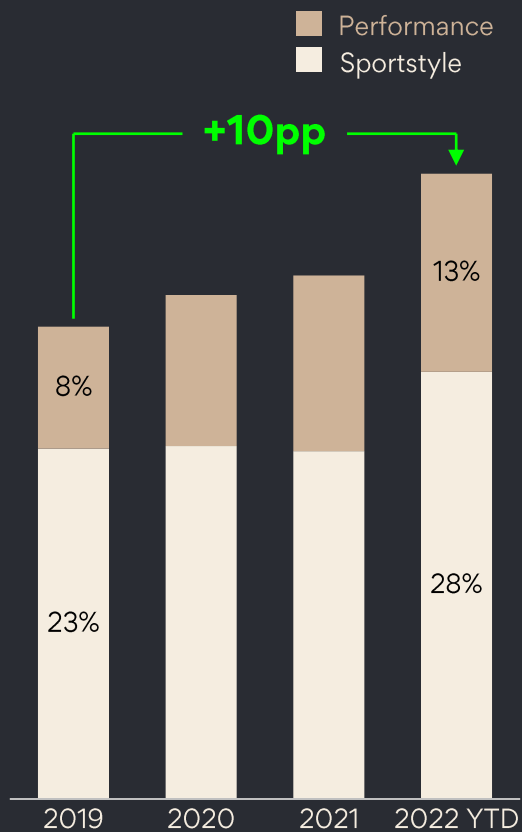
Change in KPIs Q1 2019 vs Q1 2022

Omnichannel sales/m<sup>2</sup> in CCC segment [PLN]

eobuwie.pl –  
a leader of  
online footwear  
sales in CEE

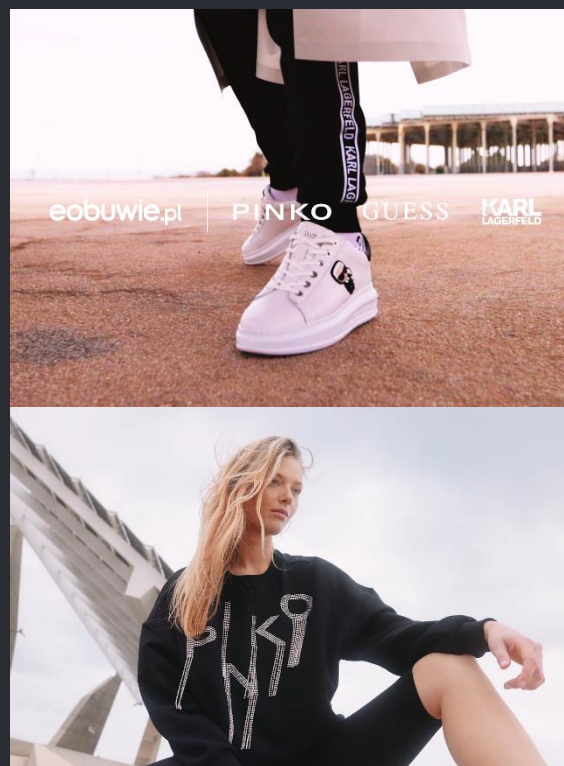


Evolution of customers' fashion preferences...



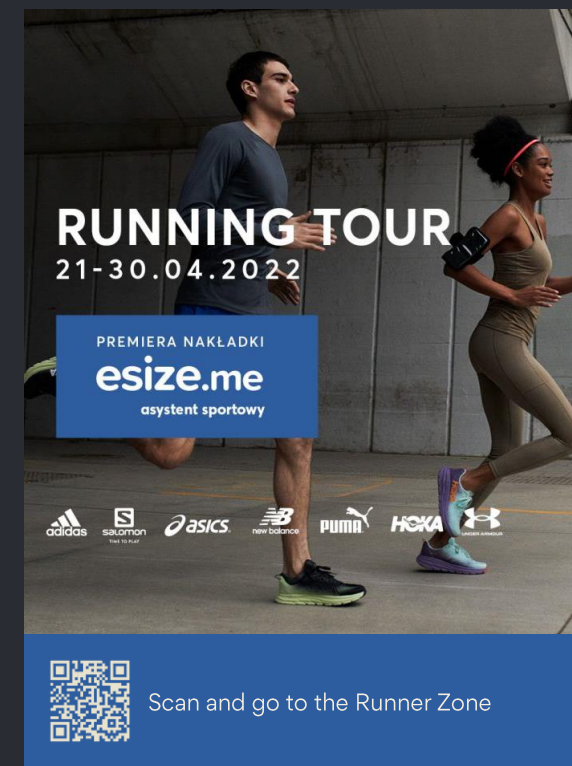
Contribution of selected product categories to total sales of the eobuwie.pl segment

... supported by campaigns promoting the casual style ...



Marketing campaigns co-funded by brands as part of Fashion Advertising Services

... and active lifestyles



Runner Zone on eobuwie.pl – a series of expert publications on how to select safe running shoes

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MODIVO –  
most inspiring  
online fashion  
platform  
in CEE



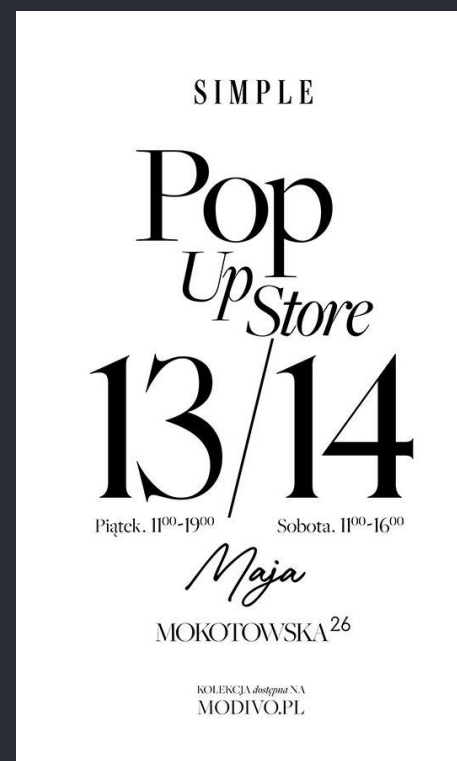
photo: MODIVO, SS22



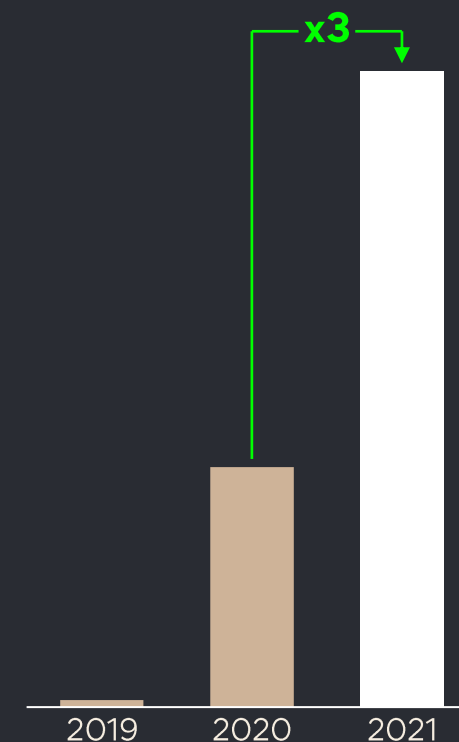
## Investment in the development and marketing communication of MODIVO's high-margin own brands



MODIVO Top Brands Festival – an event for members of influential fashion media in Poland held to promote MODIVO's own brands



Launch of a Simple pop-up store



Sales of MODIVO's own brands

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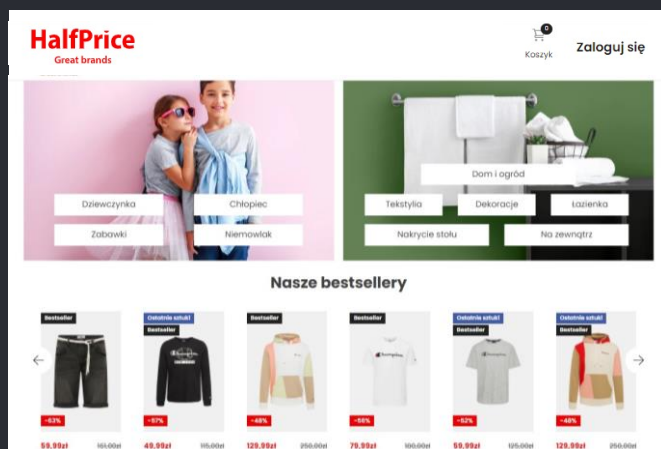
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HalfPrice –  
off-price market  
leader in CEE



photo: HalfPrice, SS22

## HalfPrice one year after its market debut



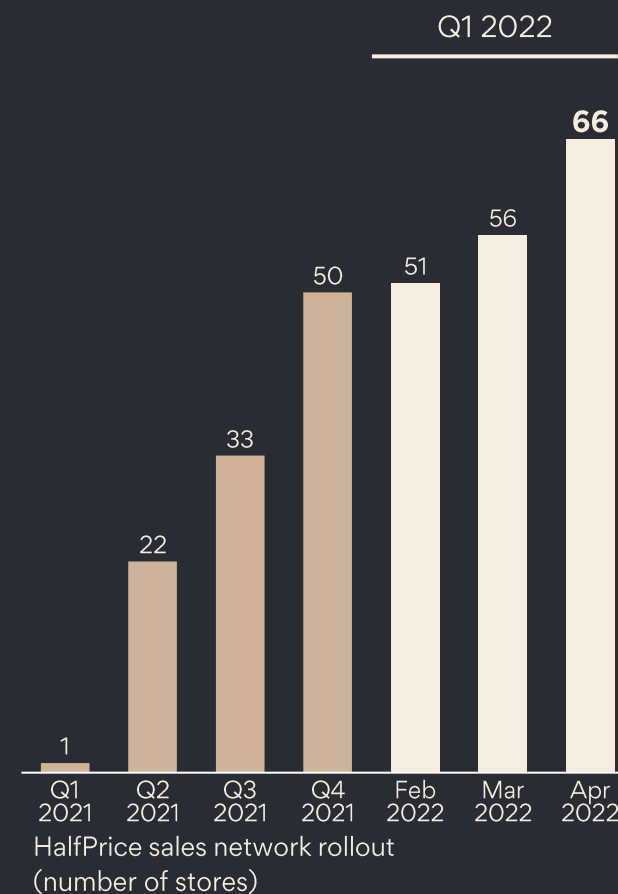
**355** PLNm  
in revenue

**16** million  
customers

**66** stores

**7** countries

**50** thousand  
online orders



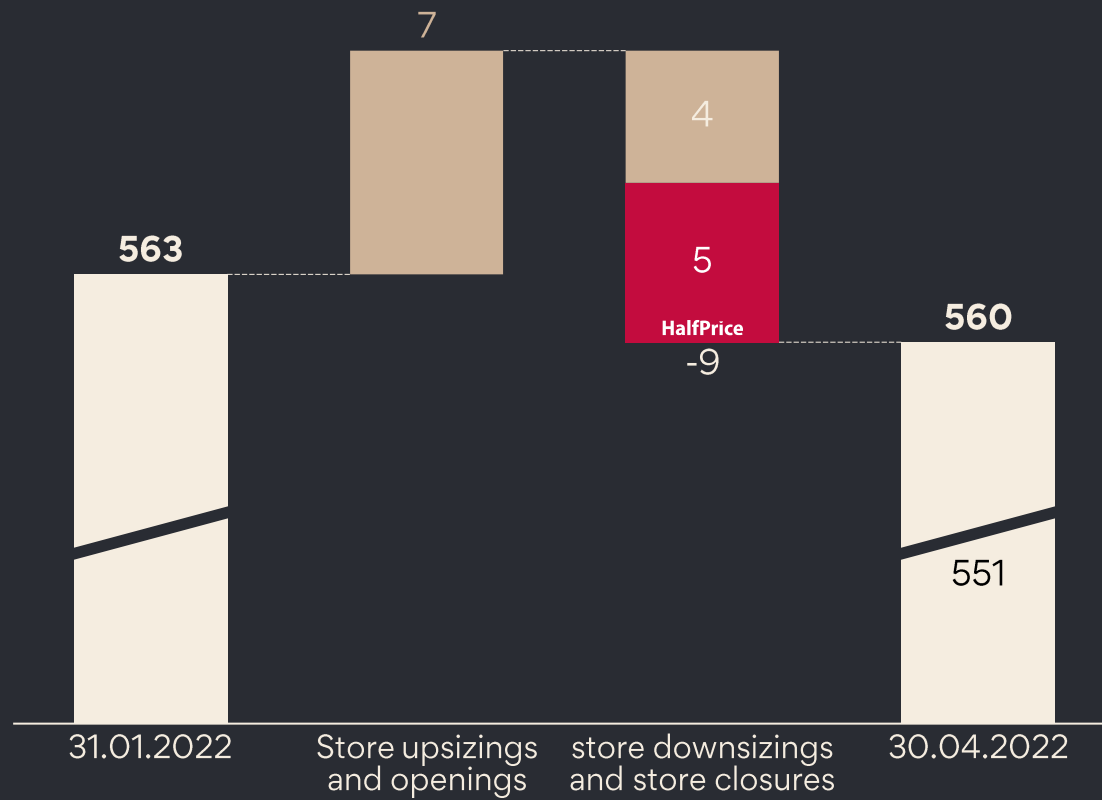
# Results



CCC –  
stepping up  
efforts to further  
expand gross  
margin



Continued effort to optimise the offline store chain...



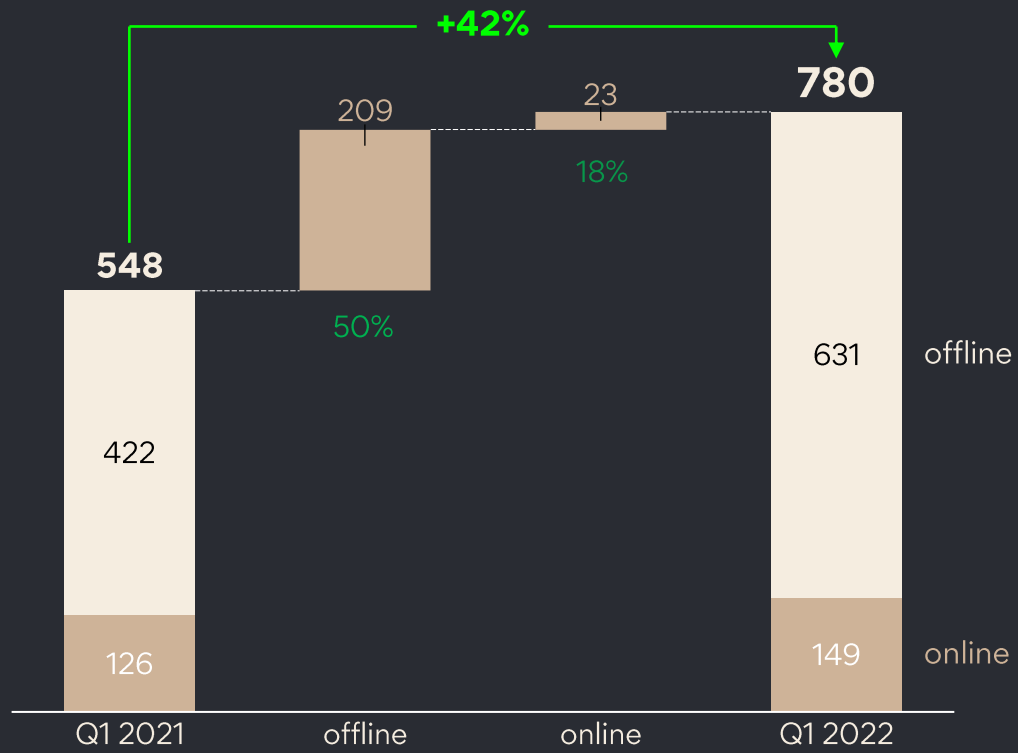
YTD change in CCC retail space [‘000 m<sup>2</sup>]

...with an increase in sales/m<sup>2</sup>



Strong revenue growth...

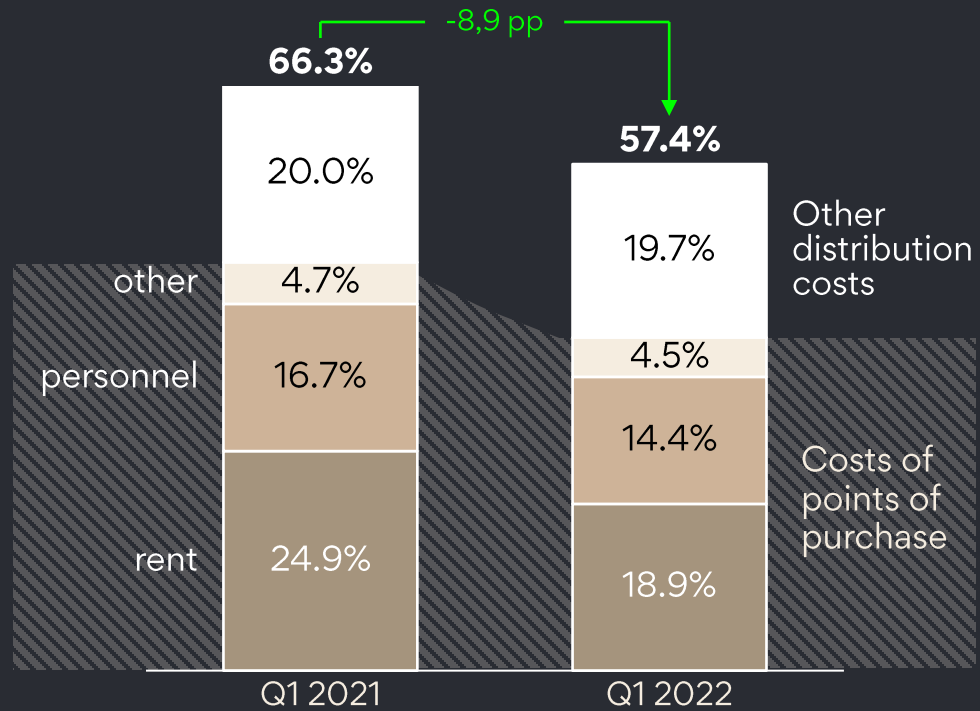
... with a surge in gross margin



Change in CCC's revenue [PLNm]

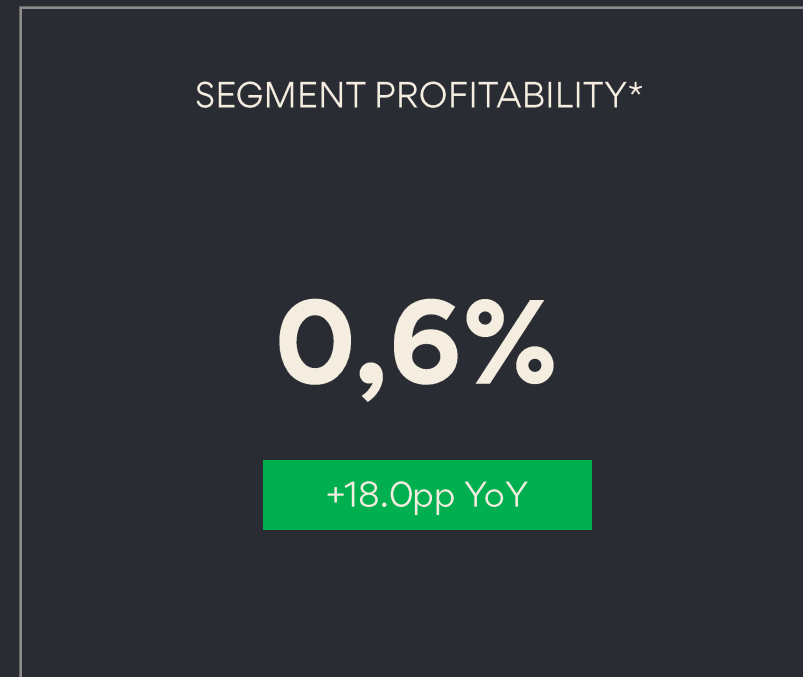


Reduction in the cost ratio...



Costs ratio in CCC [costs/revenue]

...support rebuilding of profitability



\* Segment's operating result net of administrative expenses

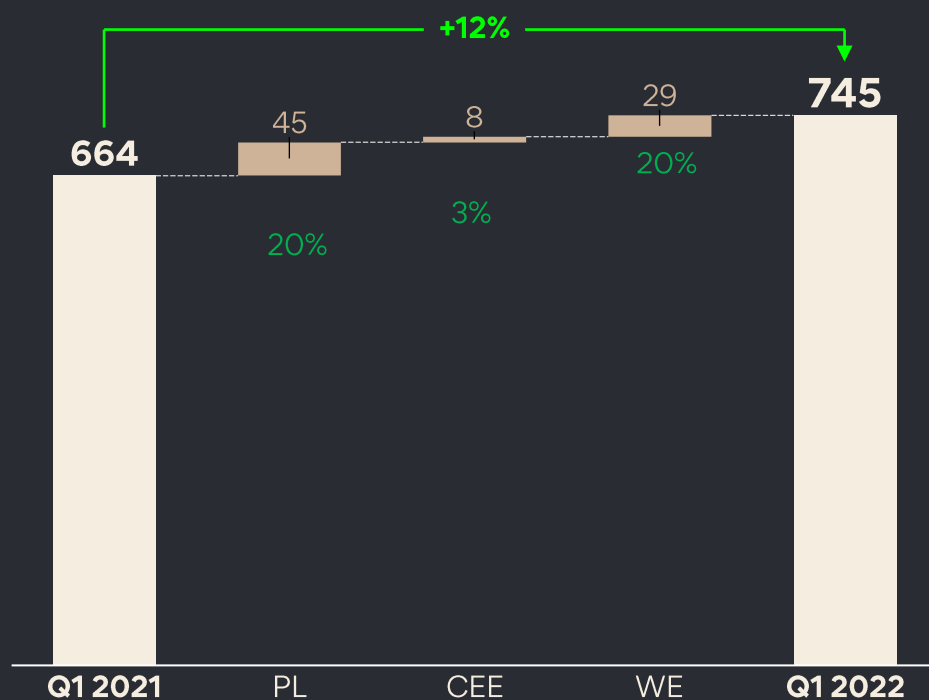


MODIVO Group  
– the fastest  
growing  
platform in the  
online fashion  
industry



Continued revenue growth...

...with sustained strong profitability



GROSS MARGIN

**43,6%**

+0.3pp YoY

SEGMENT PROFITABILITY\*

**eobuwie.pl**

**8,9%**

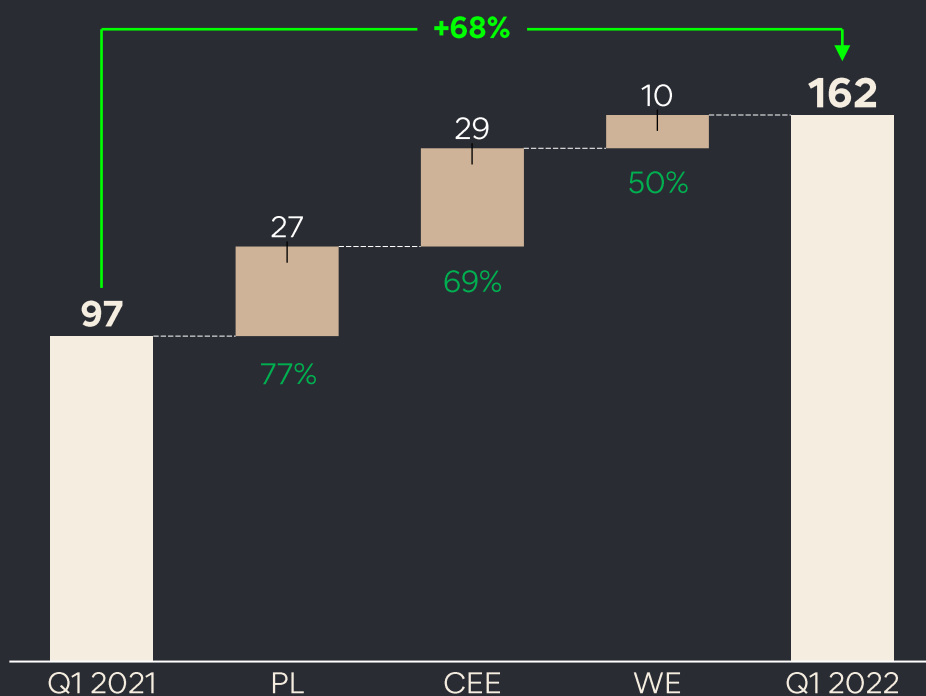
-0.9pp YoY

Change in eobuwie.pl's revenue [PLNm]

\* Segment's operating result net of administrative expenses

The strongest sales growth within the Group...

...with further improvement in gross margin



GROSS MARGIN

**41,1%**

+0.7pp YoY

SEGMENT PROFITABILITY\*

**Modivo**

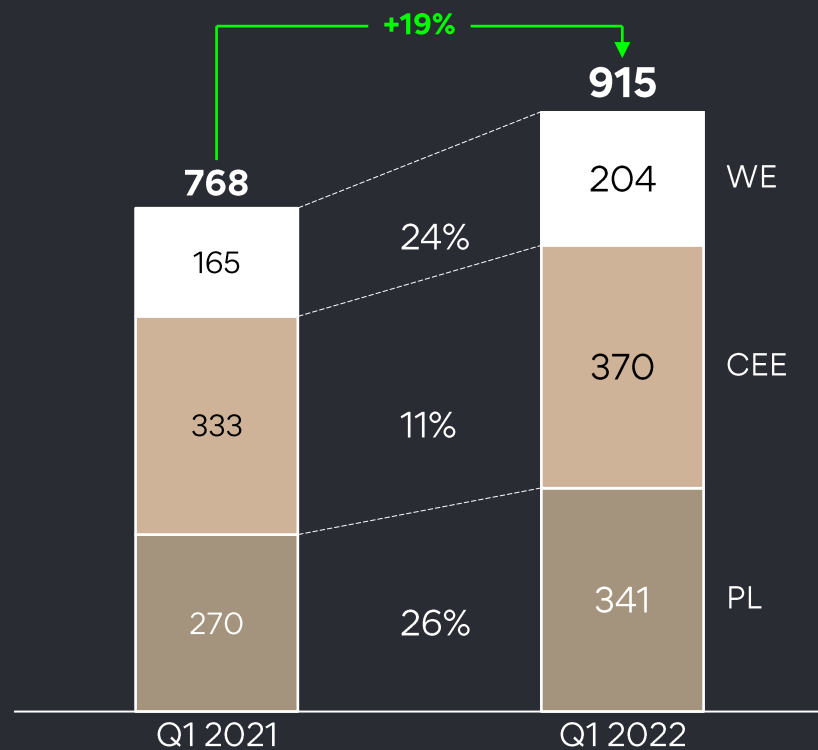
**3,5%**

-2.1pp YoY

Change in Modivo's revenue [PLNm]

\* Segment's operating result net of administrative expenses

## Modivo Group's profitability influenced by strategic growth projects



Change in Modivo Group's revenue [PLNm]

% OF REVENUE	Q1 2021	Q1 2022	YOY
Gross margin	43,1%	43,2%	0,1 p.p.
SG&A	34,8%	38,4%	3,6 p.p.
Logistics	7,5%	7,5%	-
Marketing	15,0%	14,5%	-0,5 p.p.
Administrative and other	12,1%	16,4%	4,3 p.p.
EBIT	8,6%	4,7%	-3,9 p.p.
EBITDA	10,5%	6,6%	-3,9 p.p.

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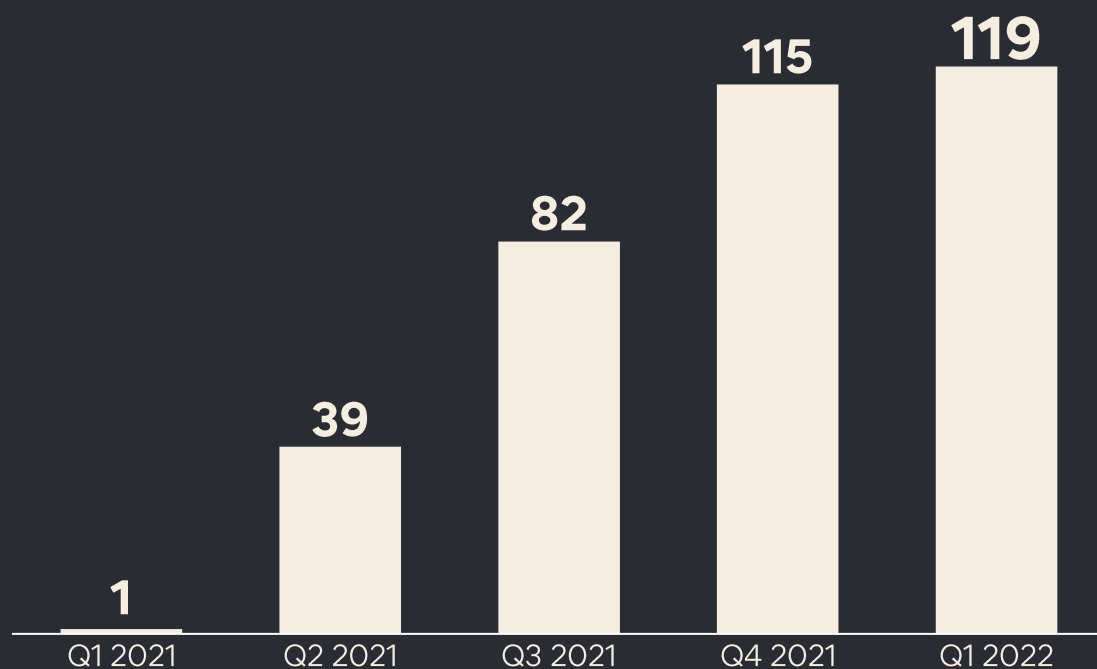
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# HalfPrice – Fast network rollout

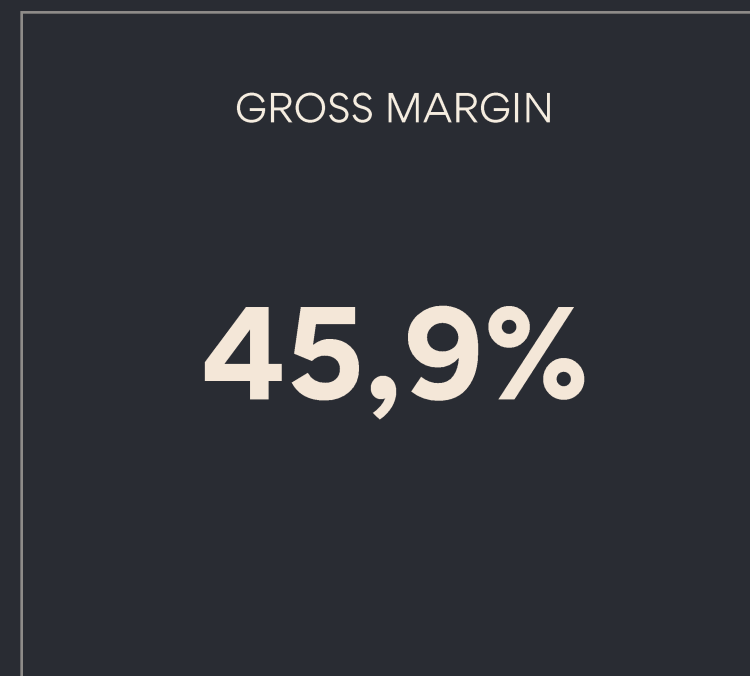


Further expansion of the off-price concept...



HalfPrice revenue [PLNm]

... with gross margins in line with the GO.25 strategy



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HalfPrice

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CCC Group –  
gross margin  
expansion and  
strategic  
growth  
projects



photo: Gino Rossi, SS22

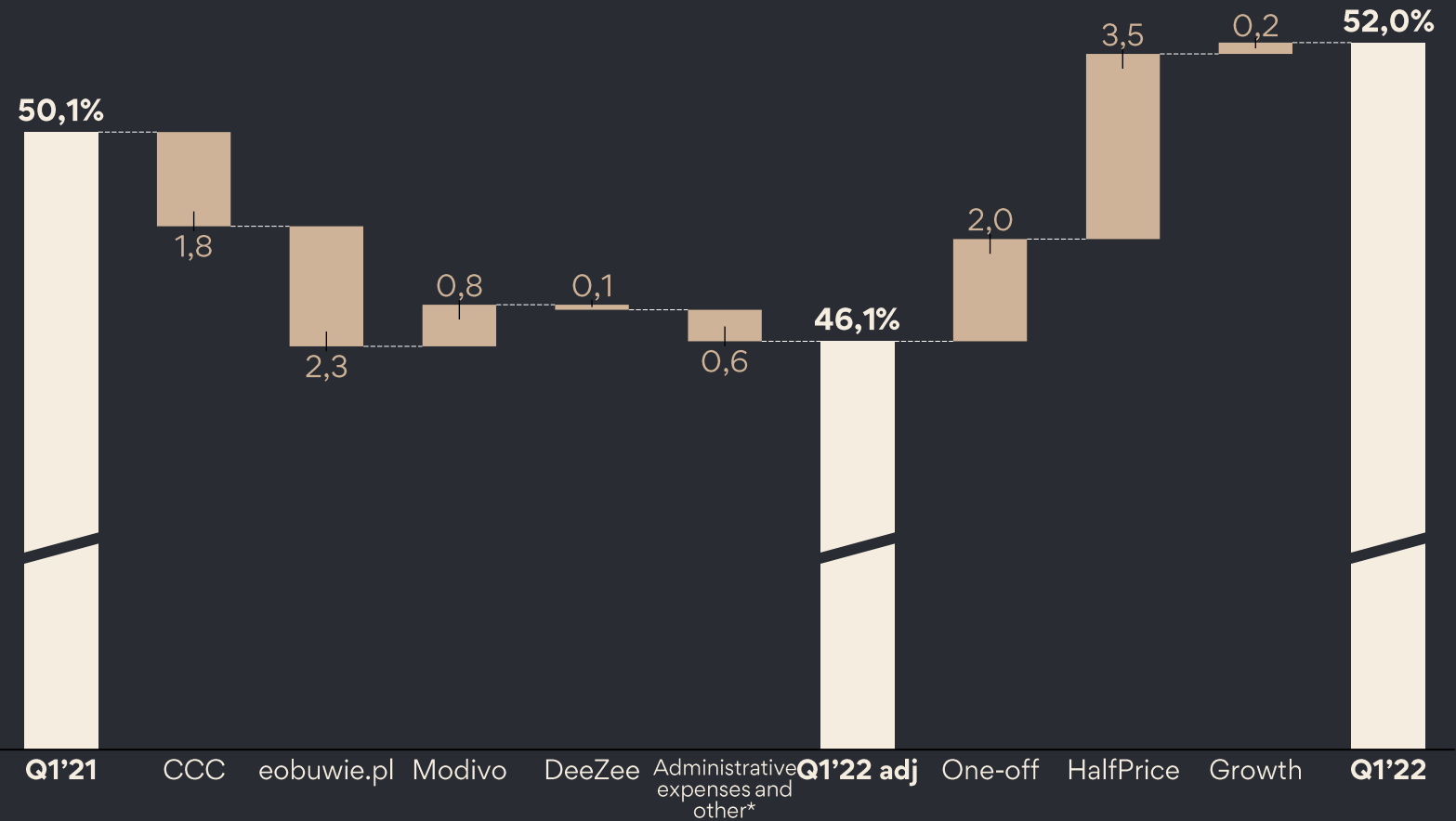
Strong revenue growth and a surge in gross margin



	Q1		
	2021	2022	YoY
REVENUE [PLNm]	1420	1882	33%
GROSS PROFIT	620	923	49%
Gross margin [%]	43,7%	49,0%	5,3 p.p.
SG&A	-711	-979	38%
cost ratio [%]	50,1%	52,0%	1,9 p.p.
EBIT [PLNm]	-101	-57	N/A
EBIT margin [%]	-7,1%	-3,0%	4,1 p.p.
EBITDA [PLNm]	31	89	>100%
EBITDA margin [%]	2,2%	4,7%	2,5 p.p.
NET PROFIT [PLNm]	-133	-160	N/A
NET margin [%]	-9,4%	-8,5%	0,9 p.p.



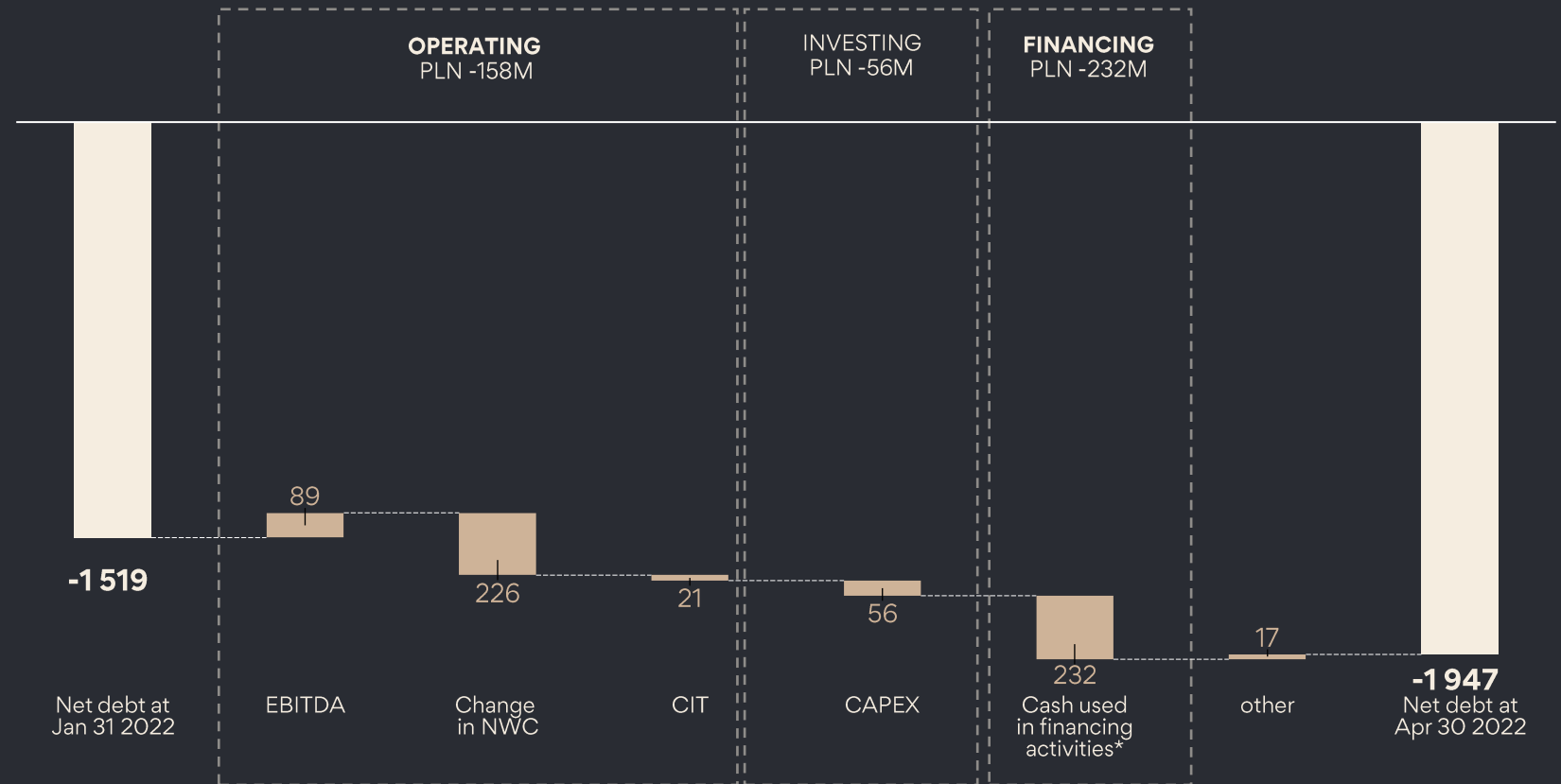
Change in costs and expenses reflecting mainly further HalfPrice roll out



Change in SG&A costs of the CCC Group [as a % of revenues]

\* Other segment expenses, administrative expenses, other operating income and expenses

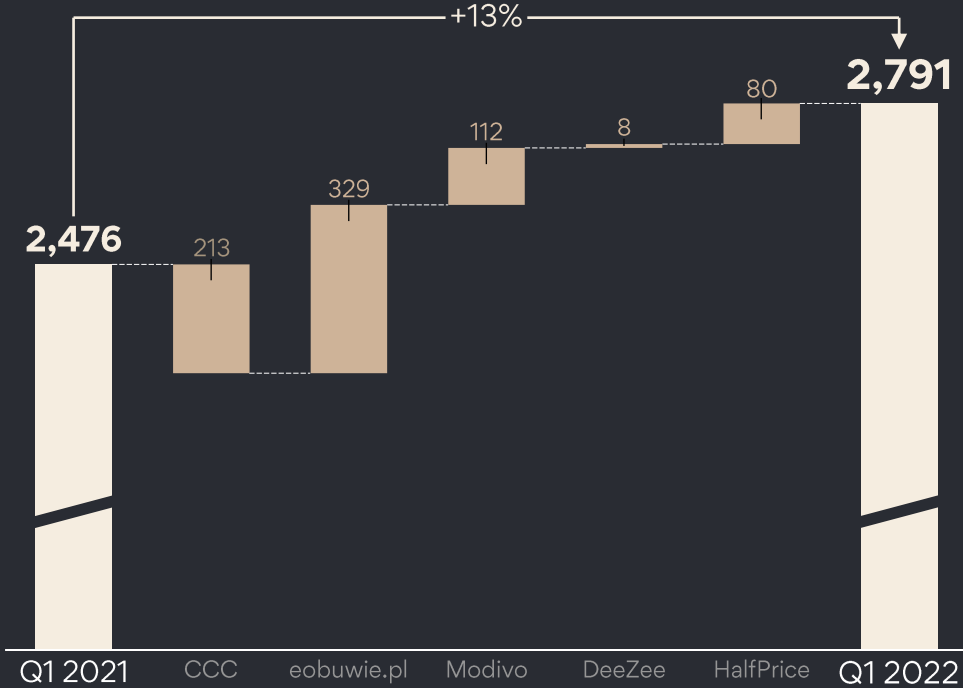
Group's debt level driven mainly by investment in WC in Modivo Group



Change in debt YTD [PLNm]

\* Lease payments and interest

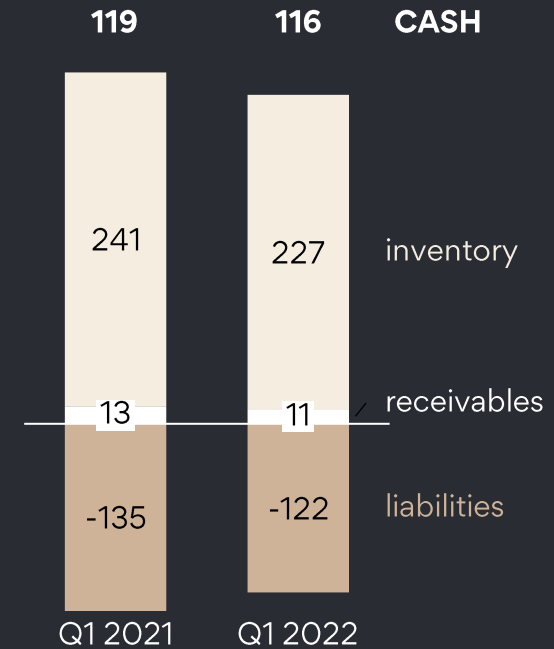
Improved inventory management efficiency at CCC...



Inventory growth	-11%	56%	116%
Revenue growth	42%	12%	68%

Change in inventories YoY [PLNm]

...contribute to the shortening of the Group's cash conversion cycle



Conversion cycle [days]

# Summary













## CCC Group as a leader in sustainability and responsible products




Collaboration of global brands, chemical suppliers, manufacturers and other organisations committed to protecting the planet



Pledge to eliminate harmful chemicals from the supply chain

CCC has become signatory to the Zero Discharge of Hazardous Chemicals Programme




World's largest corporate sustainability initiative



Almost 15,000 members from around the world



Catalyst for global change – by working with governments, international organisations and businesses

CCC has joined the United Nations Global Compact




Initiative bringing together fashion brands to develop common climate goals for the fashion industry



Striving for climate neutrality and reporting climate progress

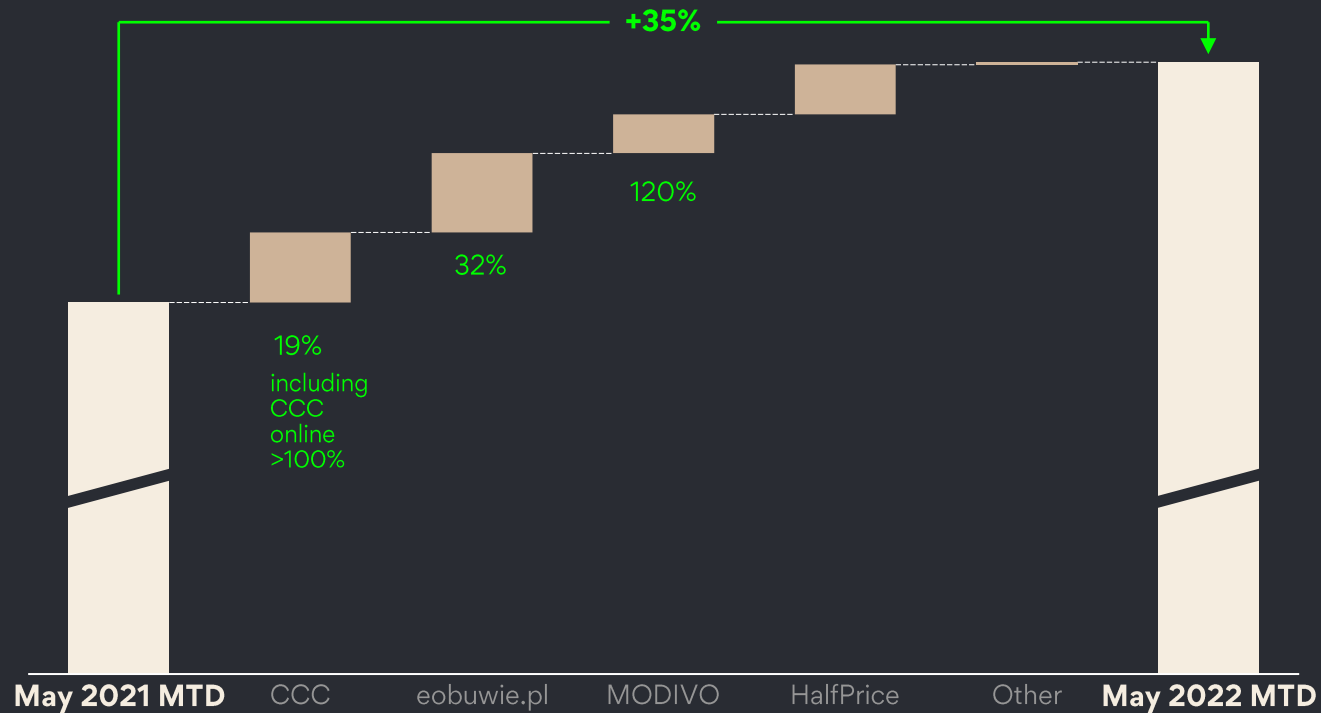


CCC is the only company from Poland

CCC is signatory to the Fashion Industry Charter for Climate Action

Strong revenue growth in Q2 2022 QTD ...

... and sustained gross margin growth



SHARE OF E-COMMERCE

**50%**

+ 4 pp YoY

GROSS MARGIN OF CCC SEGMENT

**59,5%**

+2.7pp

Change in CCC Group's revenue [PLNm]



## Key facts

- 1 **33% revenue growth reported by the Group** despite a challenging business environment (macro factors, the war in Ukraine, etc.)
- 2 The **Group** posted a fifth consecutive quarter of **surging gross margin (+5pp, with a 9pp growth reported in the CCC segment)**
- 3 With **sales up +19% and EBITDA margin of 6.6% Modivo S.A. by far outperformed its online competitors**
- 4 Major progress in **working capital optimisation** – days inventory outstanding in the CCC segment more than 20 days shorter
- 5 **Strong revenue growth posted by the Group in Q2 QTD (+35% YoY), accelerating QoQ sales growth in e-commerce (+48% YoY) and further improvement in gross margin**

# THANK YOU

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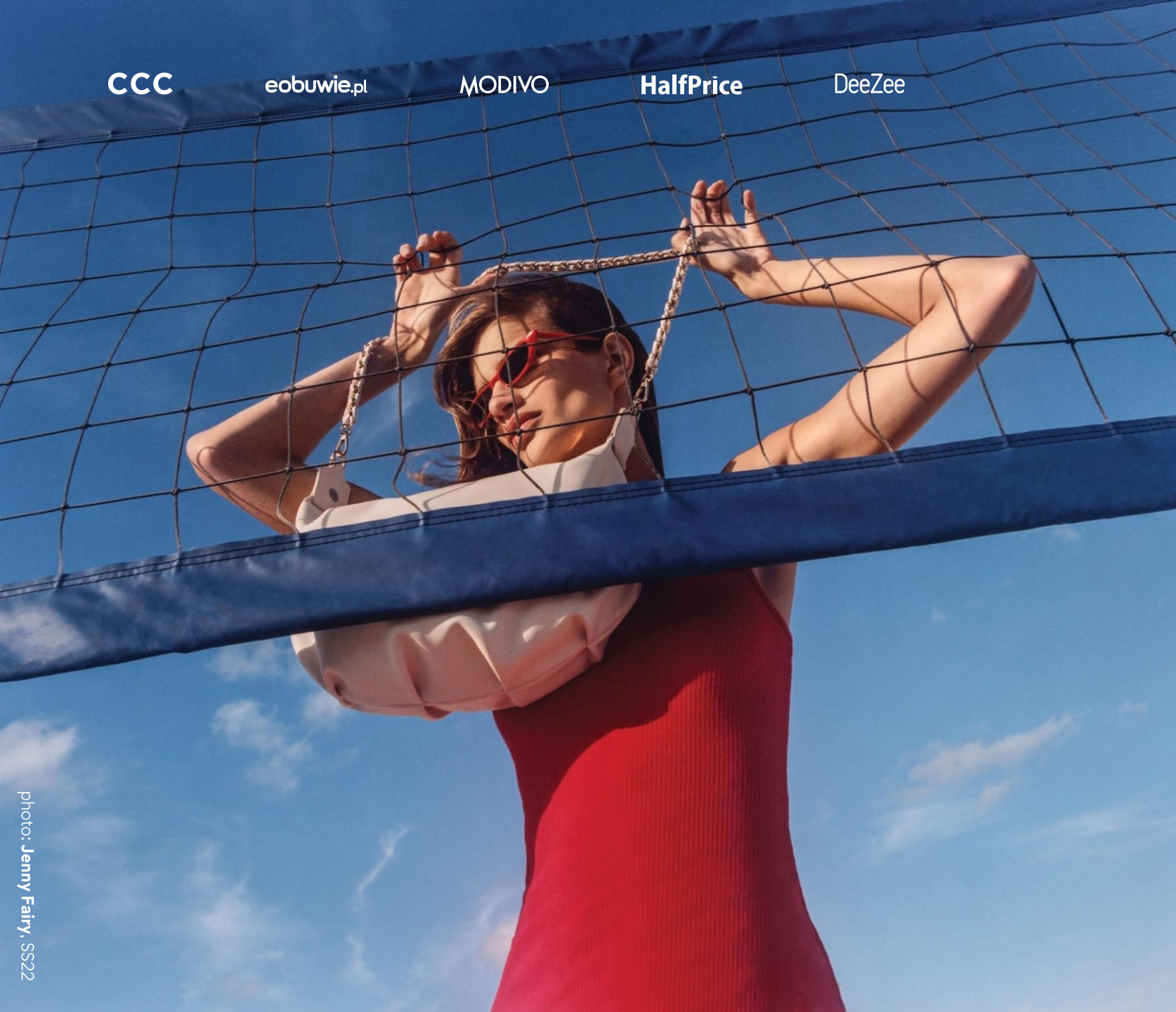
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## Questions and answers

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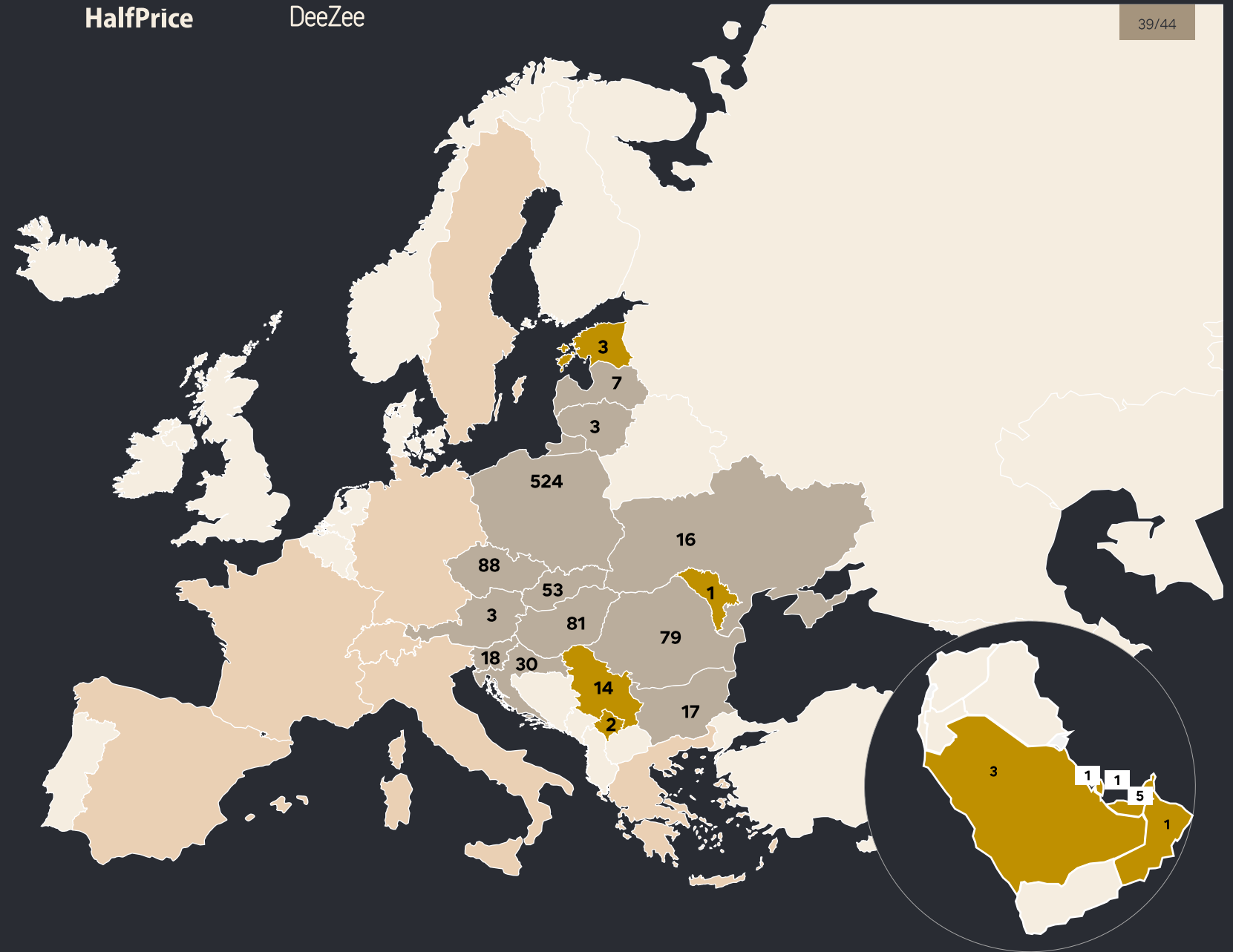
## Support material

### Geographical availability of CCC Group stores

																	Other B&M <sup>1</sup>	Other e-com <sup>2</sup>
CCC	B&M	✓	✓	✓	✓	✓	✓	✓			✓				✓	✓	✓	
	WEB	✓	✓	✓	✓	✓	✓	✓	✓		✓		✓		✓			
	APP	✓	✓	✓	✓	✓	✓		✓				✓					
eobuwie.pl	WEB	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓		✓
	APP	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓		✓
	B&M	✓	✓															
MODIVO	WEB	✓	✓	✓	✓	✓	✓	✓	✓	+	✓		✓	✓	✓	✓		✓
	APP	✓	✓	✓	✓	✓	✓	✓			✓		✓	✓		✓		✓
	B&M	✓																
DeeZee	WEB	✓	✓	✓	✓	✓	+				✓				+	+		
	APP	+																
HalfPrice	B&M	✓	✓	✓		✓		✓	✓						✓			
	WEB	✓	+	+		+			+									

# CCC Group on 28 markets

- Offline & Online  
12 MARKETS
- Offline  
21 MARKETS
- Online  
19 MARKETS

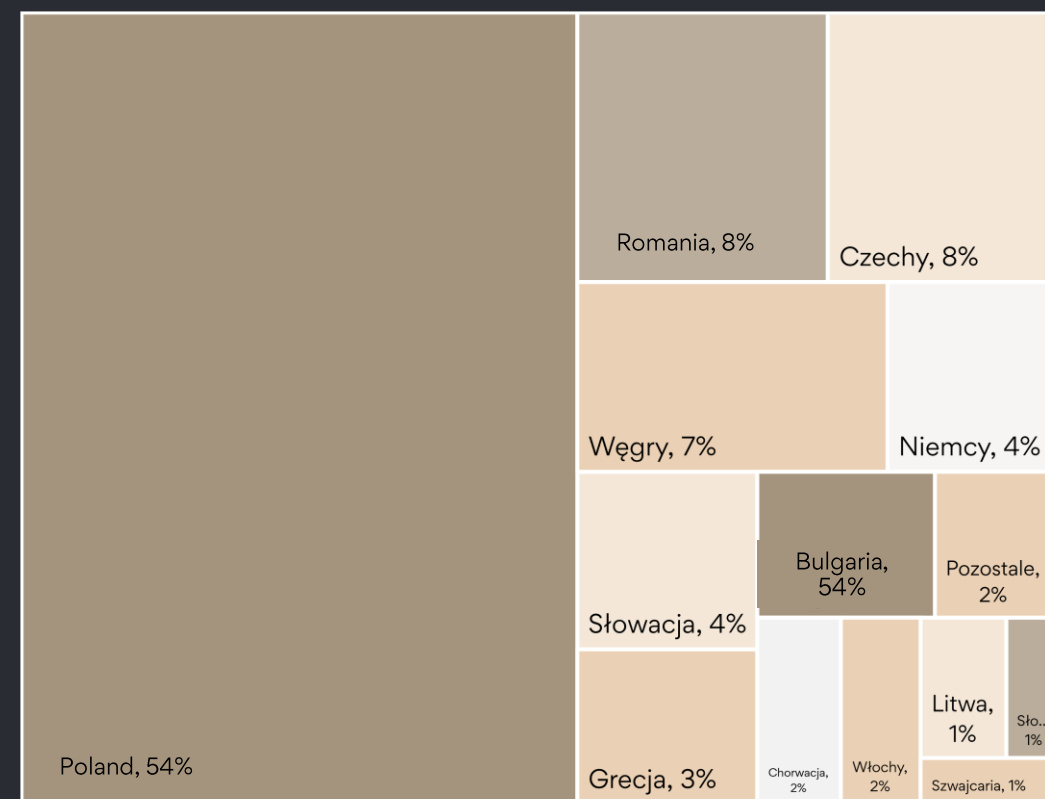




## Q1'22 revenue

COUNTRY	REVENUE* [mIn PLN]	yoy
Poland	1 002	43%
Romania	154	25%
Czech Republic	143	70%
Hungary	134	56%
Germany	75	73%
Slovakia	73	10%
Greece	64	-11%
Bulgaria	59	29%
Croatia	36	41%
Italy	34	32%
Lithuania	27	-18%
Slovenia	17	69%
Swiss	15	53%
Other	42	-39%
<b>TOTAL</b>	<b>1 882</b>	<b>33%</b>

## Contribution to the Group's revenue by country



## Geographical availability of CCC Group stores

TYPE	COUNTRY	July 31st 2020		October 31st 2020		January 31st 2021		April 30th 2021		July 31st 2021		October 31st 2021		January 31st 2022		April 30th 2022	
		m <sup>2</sup>	number	m <sup>2</sup>	number	m <sup>2</sup>	number	m <sup>2</sup>	number	m <sup>2</sup>	number	m <sup>2</sup>	number	m <sup>2</sup>	number	m <sup>2</sup>	number
COMPANY-OWNED	Poland	314 304	470	313 760	470	309 493	463	300 175	455	294 324	450	287 198	446	<b>278 752</b>	<b>432</b>	<b>281 086</b>	<b>438</b>
	Czech Republic	54 165	90	54 443	91	53 988	90	53 875	89	53 097	87	53 582	86	53 264	86	<b>52 386</b>	<b>86</b>
	Hungary	56 726	78	57 303	80	57 537	80	57 297	79	54 513	78	54 980	79	54 035	79	<b>54 035</b>	<b>79</b>
	Austria	31 562	48	35 289	56	33 373	51	31 907	47	20 119	31	5 064	9	0	0	<b>0</b>	<b>0</b>
	Slovakia	34 148	53	35 537	55	35 628	56	36 404	57	34 856	55	36 198	55	34 896	53	<b>34 246</b>	<b>52</b>
	Croatia	20 602	30	21 115	32	20 800	31	20 287	29	20 287	29	21 525	30	21 015	29	<b>21 015</b>	<b>29</b>
	Russia	33 366	41	32 296	41	31 878	41	29 629	41	27 996	40	27 391	40	26 880	40		
	Slovenia	14 508	18	17 013	20	17 013	20	14 508	18	14 508	18	13 830	17	13 830	17	<b>12 598</b>	<b>17</b>
	Bulgaria	11 651	17	11 651	17	12 048	18	11 651	17	11 651	17	11 651	17	11 651	17	<b>11 651</b>	<b>17</b>
	Serbia	11 031	14	11 496	15	11 496	15	11 031	14	11 031	14	11 056	14	11 056	14	<b>11 056</b>	<b>14</b>
	Romania	44 498	73	47 687	78	47 687	78	48 122	77	48 122	77	48 852	78	49 898	80	<b>49 590</b>	<b>79</b>
<b>CCC własne RAZEM</b>		<b>626 561</b>	<b>932</b>	<b>637 590</b>	<b>955</b>	<b>630 941</b>	<b>943</b>	<b>614 888</b>	<b>923</b>	<b>590 504</b>	<b>896</b>	<b>571 327</b>	<b>871</b>	<b>555 279</b>	<b>847</b>	<b>527 664</b>	<b>811</b>
FRANCHISE	Ukraine	12 848	19	12 848	19	12 848	19	12 336	18	12 336	18	12 371	18	11 613	17	<b>10 569</b>	<b>16</b>
	Latvia	4 409	7	4 409	7	4 559	7	4 559	7	4 559	7	4 559	7	4 559	7	<b>4 249</b>	<b>6</b>
	Lithuania	2 657	4	2 020	3	2 020	3	2 020	3	2 020	3	2 020	3	2 020	3	<b>2 020</b>	<b>3</b>
	Estonia	3 734	4	2 879	3	2 879	3	2 879	3	2 879	3	2 879	3	2 879	3	<b>2 879</b>	<b>3</b>
	Moldova	740	1	740	1	740	1	740	1	740	1	740	1	740	1	<b>740</b>	<b>1</b>
	Kosovo	1 958	2	1 958	2	1 958	2	1 958	2	1 958	2	1 958	2	1 958	2	<b>1 958</b>	<b>2</b>
	Qatar	1 002	1	1 002	1	1 002	1	1 002	1	1 002	1	1 002	1	1 002	1	<b>1 002</b>	<b>1</b>
	UAE	4 853	5	4 853	5	4 853	5	4 853	5	4 853	5	5 302	6	5 302	6	<b>5 302</b>	<b>6</b>
	Saudi Arabia	1 876	2	1 876	2	1 876	2	2 420	3	2 420	3	2 420	3	2 420	3	<b>2 420</b>	<b>3</b>
	Bahrain	929	1	929	1	929	1	929	1	929	1	929	1	929	1	<b>929</b>	<b>1</b>
	Oman	1 222,8	1	1 222,8	1	1 223	1	1 223	1	1 223	1	1 223	1	1 223	1	<b>1 223</b>	<b>1</b>
<b>CCC franchise TOTAL</b>		<b>36 229</b>	<b>47</b>	<b>34 737</b>	<b>45</b>	<b>34 887</b>	<b>45</b>	<b>34 919</b>	<b>45</b>	<b>34 919</b>	<b>45</b>	<b>35 403</b>	<b>46</b>	<b>34 645</b>	<b>45</b>	<b>33 291</b>	<b>43</b>
eobuwie.pl		17 146	25	17 146	25	17 146	25	17 146	25	19 413	27	19 080	27	20 715	28	<b>21 586</b>	<b>30</b>
HalfPrice								1 256	1	31 375	22	51 246	33	84 810	50	<b>106 509</b>	<b>66</b>
Gino Rossi		4 418	38	4 327	37	1 889	16	1 050	9	186	1						<b>0</b>
<b>TOTAL CCC</b>		<b>684 354</b>	<b>1 042</b>	<b>693 800</b>	<b>1 062</b>	<b>684 863</b>	<b>1 029</b>	<b>669 259</b>	<b>1 003</b>	<b>641 478</b>	<b>946</b>	<b>677 056</b>	<b>977</b>	<b>689 275</b>	<b>970</b>	<b>689 050</b>	<b>950</b>

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GROUP

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MODIVO

HalfPrice

DeeZee  
GIRLS DO IT BETTER

