

# Results presentation CCC Group

Q1 2024

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## Key facts Q1'24

1

Strong LFL sales growth in the CCC (+23%) and HalfPrice (+12%) business lines

2

Record high gross margin topping 60% for CCC (+8pp), with a surge in gross margin to over 50% for HalfPrice (+11pp)

3

Continued tight cost discipline across all business lines – Group's costs reduced yoy

A

Over threefold increase in CCC Group's EBITDA

B

Nearly threefold yoy increase in Modivo Group's EBITDA

C

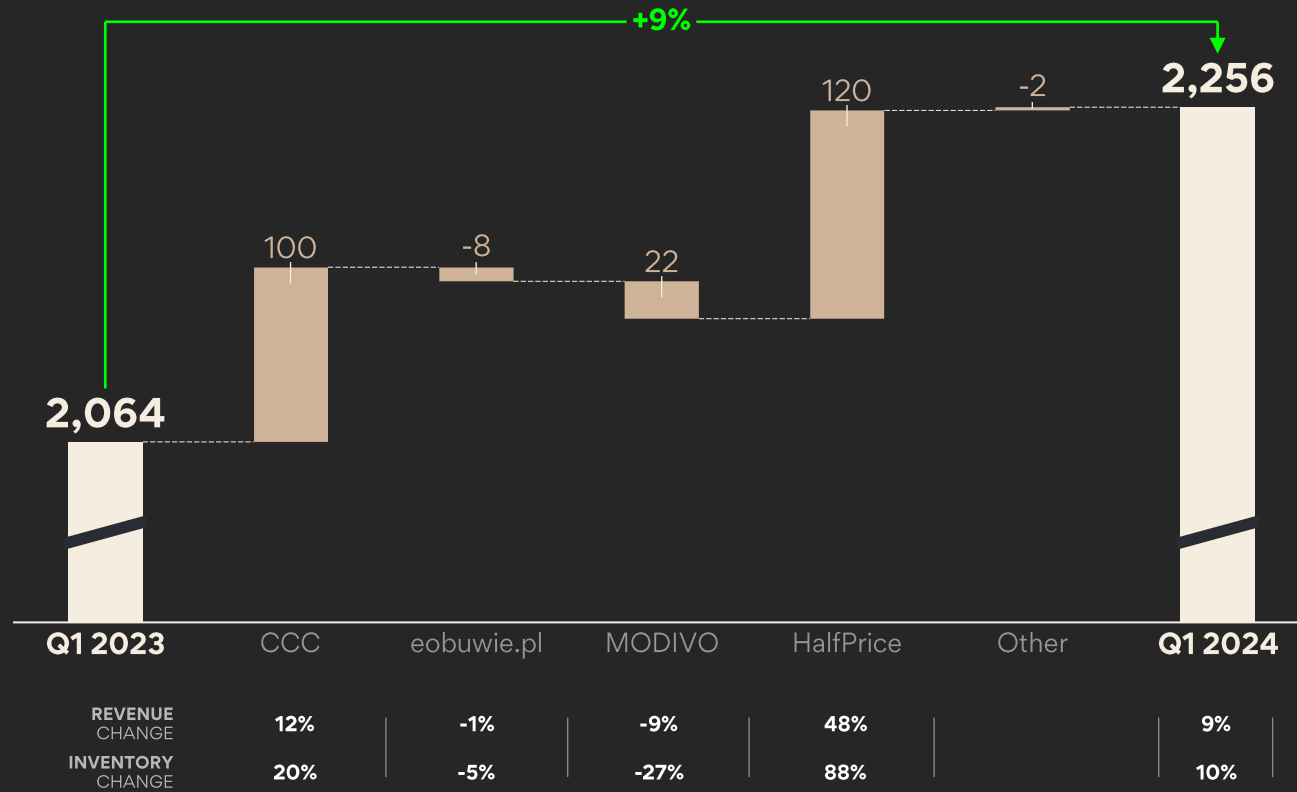
REFINANCING OF CCC BUSINESS UNIT'S DEBT NEARING COMPLETION



# Preliminary Q1 2024 results



### Increase in CCC Group's revenue



SHARE OF E-COMMERCE

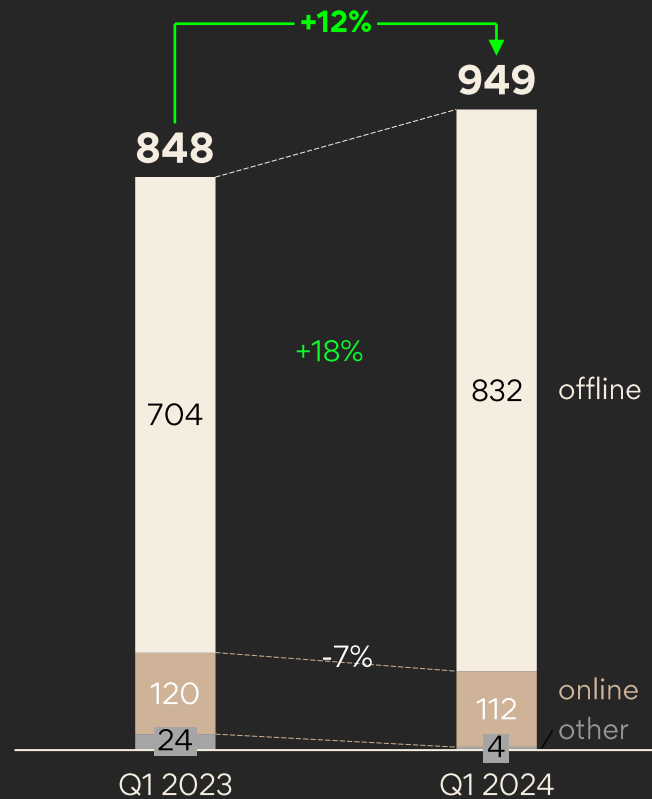
# 43%

-10pp yoy

Change in CCC Group's revenue [PLN million]

Gross margin at all-time high with further cost reduction

**Fourth consecutive quarter of strong EBITDA margin delivered by the CCC business line**



GROSS MARGIN

**60.9%**

+8.2pp yoy

EBITDA MARGIN

**21.2%**

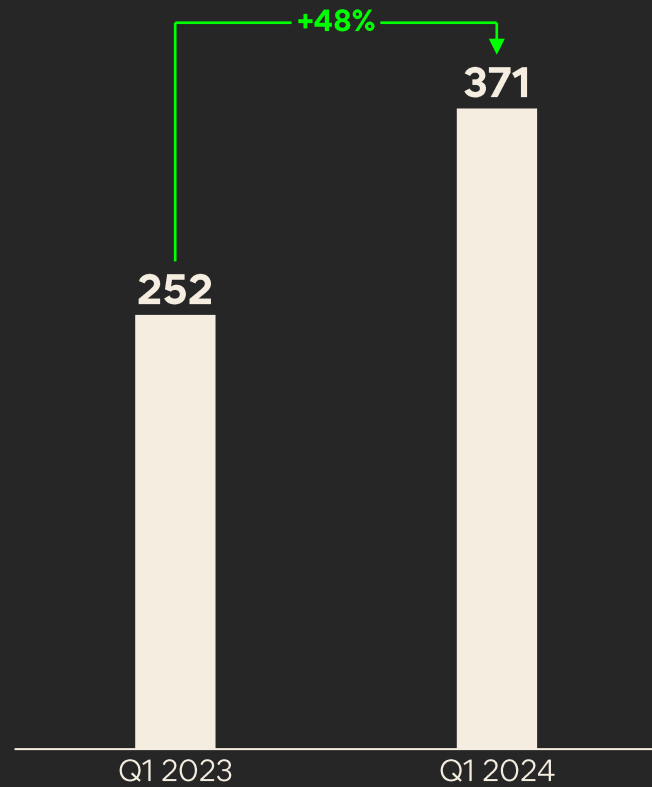
+13.4pp yoy

Change in CCC's revenue [PLN million]

CCC's results include wholesale

Strong revenue growth and steep improvement in gross margin

**Eightfold increase in HalfPrice's EBITDA**



HalfPrice's revenue [PLN million]

GROSS MARGIN

**50.9%**

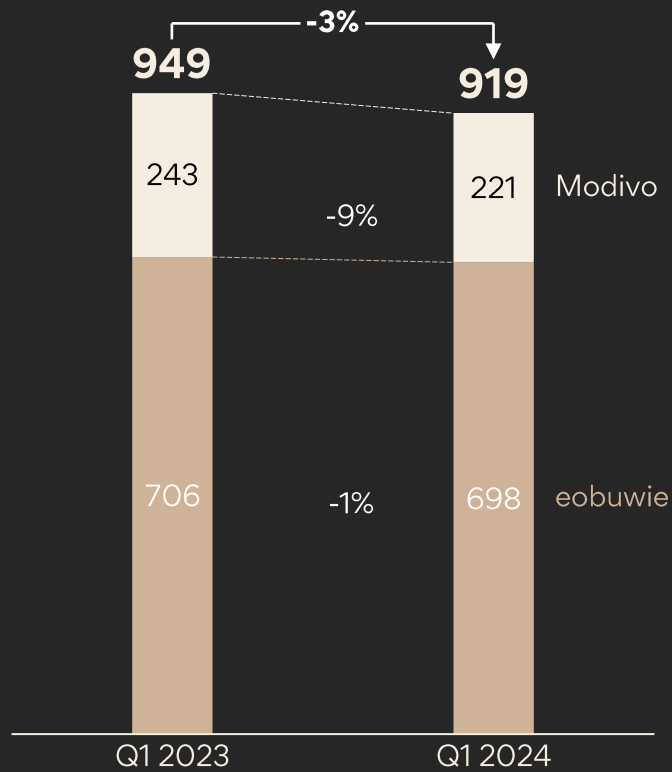
+11.1pp yoy

EBITDA MARGIN

**17.5%**

+14.3pp yoy

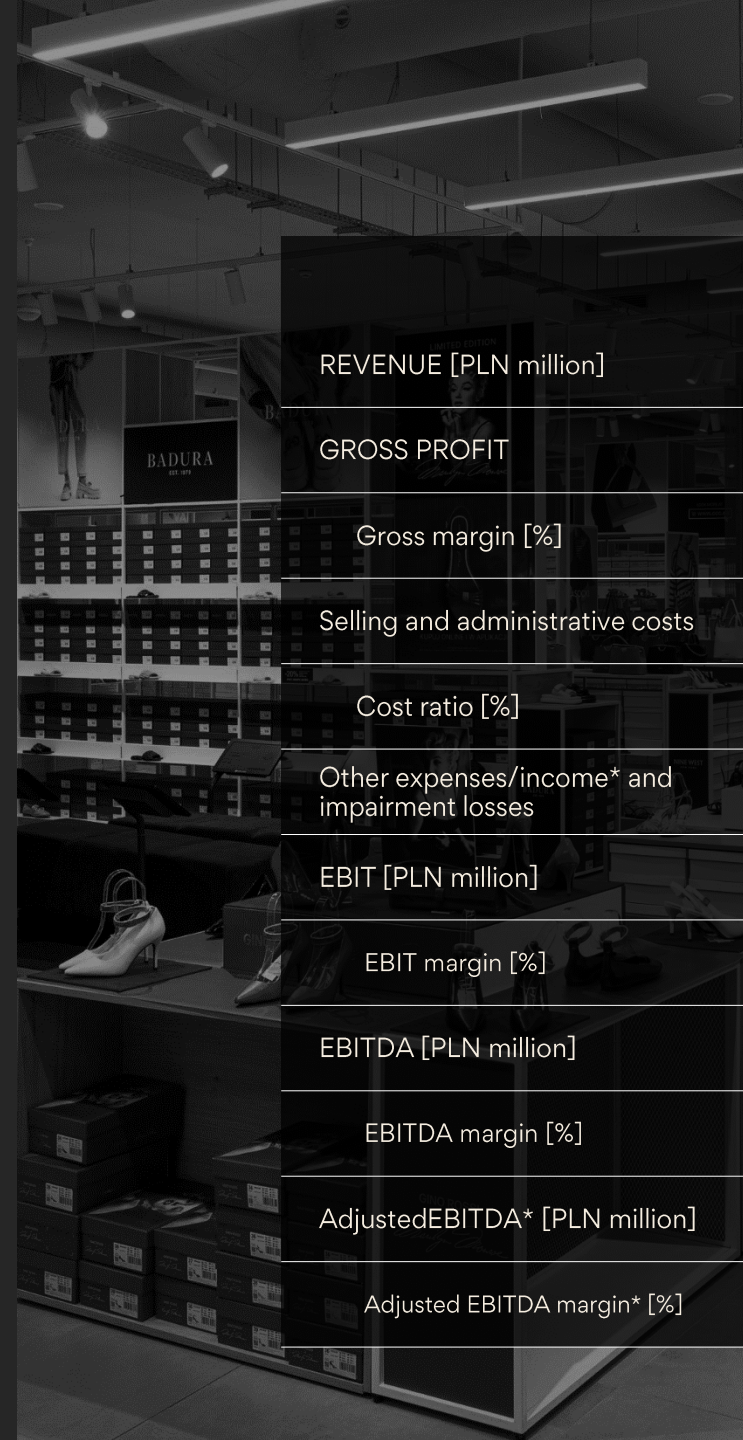
Recovery of consumer purchasing power and tight cost discipline  
**Nearly threefold improvement in Modivo Group's EBITDA**



Change in MODIVO Group's revenue  
 [PLN million]

| % OF REVENUE                                       | Q1 2023      | Q1 2024      | YOY           |
|--|--------------|--------------|---------------|
| <b>Gross margin</b>                                | <b>42.2%</b> | <b>42.1%</b> | <b>-0.1pp</b> |
| <i>eobuwie's gross margin</i>                      | 42.5%        | 42.3%        | -0.2pp        |
| <i>MODIVO's gross margin</i>                       | 41.1%        | 41.3%        | 0.2pp         |
| <b>SG&amp;A</b>                                    | <b>43.1%</b> | <b>41.7%</b> | <b>-1.5pp</b> |
| <i>Logistics</i>                                   | 7.8%         | 7.0%         | 0.8pp         |
| <i>Marketing</i>                                   | 17.5%        | 18.4%        | -1.0pp        |
| <i>Administrative and other</i>                    | 17.9%        | 18.0%        | -0.1pp        |
| <i>Other expenses/income and impairment losses</i> | 0.1%         | -1.7%        | N/A           |
| <b>EBIT</b>  | <b>-1.0%</b> | <b>0.4%</b>  | <b>1.4pp</b>  |
| <b>EBITDA</b>                                      | <b>1.4%</b>  | <b>3.8%</b>  | <b>2.5pp</b>  |

Gross margin expansion  
and cost discipline leading to  
10pp yoy increase in  
the Group's operating profitability



|  | Q1     |        |        |
|--|--------|--------|--------|
|  | 2023   | 2024   | YoY    |
| REVENUE [PLN million]                        | 2,064  | 2,256  | 9%     |
| GROSS PROFIT                                 | 959    | 1,164  | 21%    |
| Gross margin [%]                             | 46.5%  | 51.6%  | 5.1pp  |
| Selling and administrative costs             | -1,039 | -1,028 | -1%    |
| Cost ratio [%]                               | 50.4%  | 45.5%  | -4.8pp |
| Other expenses/income* and impairment losses | 14     | 17     | 22%    |
| EBIT [PLN million]                           | -67    | 152    | N/A    |
| EBIT margin [%]                              | -3.2%  | 6.8%   | 10.0pp |
| EBITDA [PLN million]                         | 89     | 304    | 244%   |
| EBITDA margin [%]                            | 4.3%   | 13.5%  | 9.2pp  |
| Adjusted EBITDA* [PLN million]               | 75     | 288    | 283%   |
| Adjusted EBITDA margin* [%]                  | 3.6%   | 12.8%  | 9.1pp  |

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



Cash flows at CCC Business Unit driven by move to develop high-margin licensing model...

... and successful working capital optimisation at MODIVO Group

PLN million, 3M 2024 data

|                      |                       | CCC | HalfPrice | Modivo Group |
|----------------------|-----------------------|-----|-----------|--------------|
| P&L                  | Revenue               | 949 | 371       | 919          |
|                      | EBITDA*               | 125 | 33        | 23           |
| Working capital      | Change in inventories | -82 | -89       | -109         |
|                      | Change in receivables | -7  | 5         | -7           |
|                      | Change in liabilities | 41  | 74        | 171          |
| Investing cash flows | CAPEX**               | -18 | -24       | -16          |
| EBITDA + NWC + CAPEX |                       | 59  | 0         | 63           |



Photo: MODIVO, SS 2024

SEPARATE

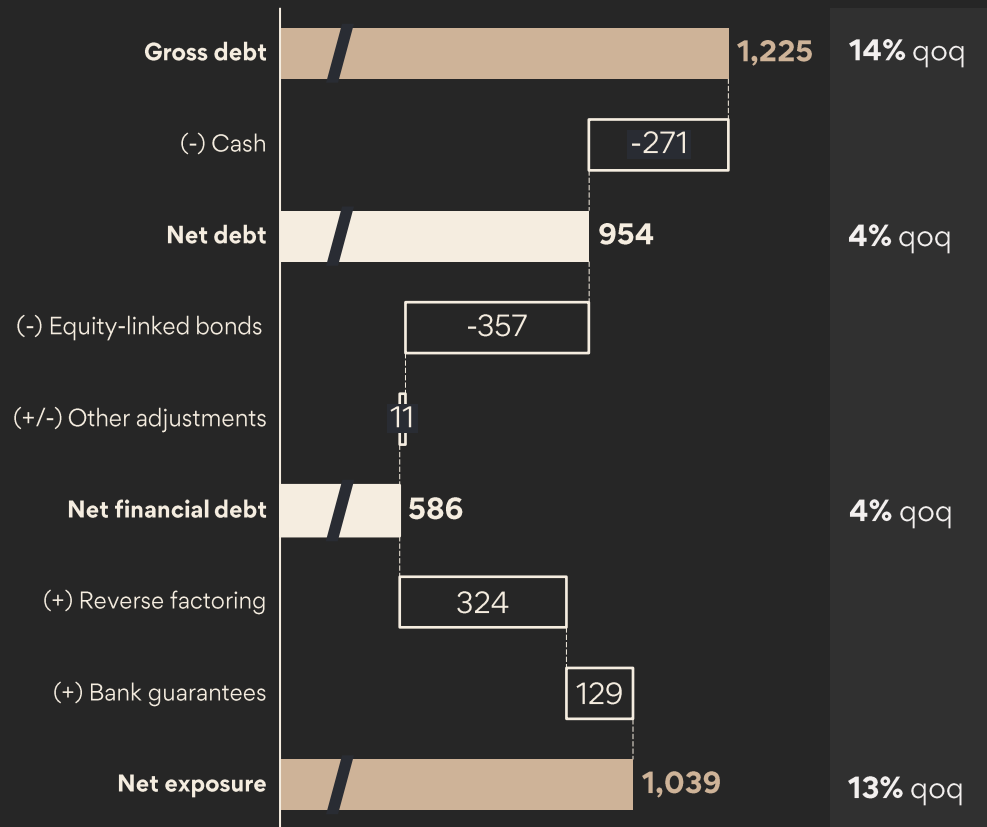
FINANCING

CCC's results include wholesale

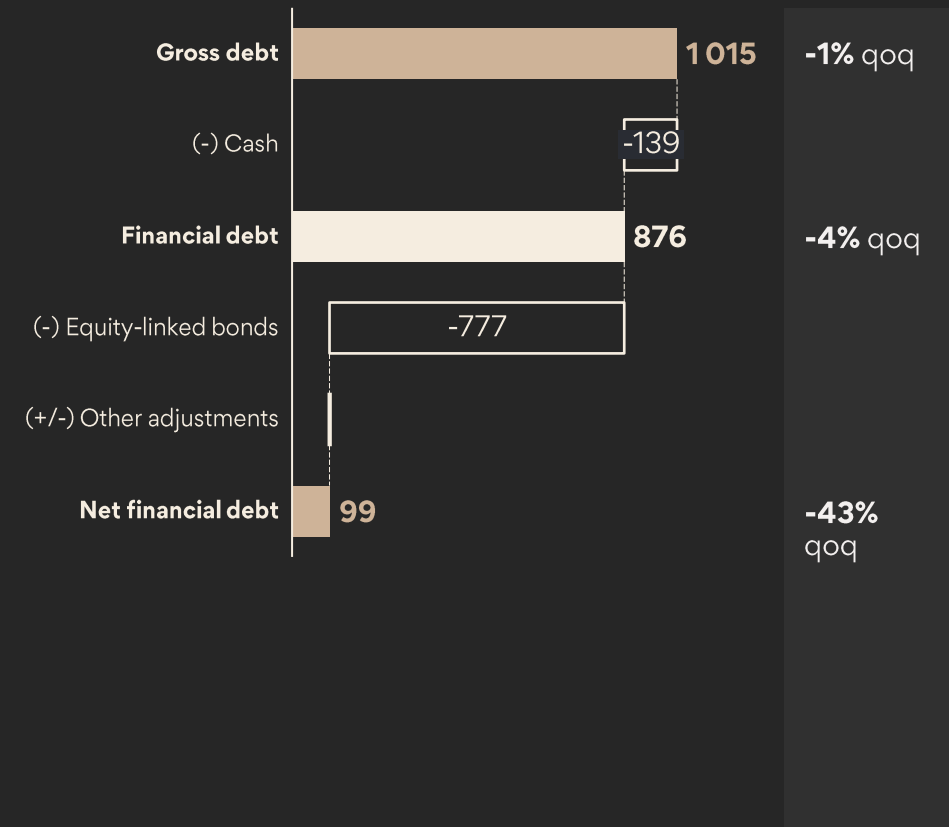
\* Excludes the effect of IFRS 16

\*\* Does not include fit-out costs (expenditures incurred by the lessor to fit out premises to the lessee's requirements)

Net debt at CCC Business Unit largely unchanged yoy, with LTM EBITDA\*\* up by approx. 3.5x...



...and predominant share of convertible bonds in MODIVO Group's total debt



CCC Business Unit's debt\* [PLN million]

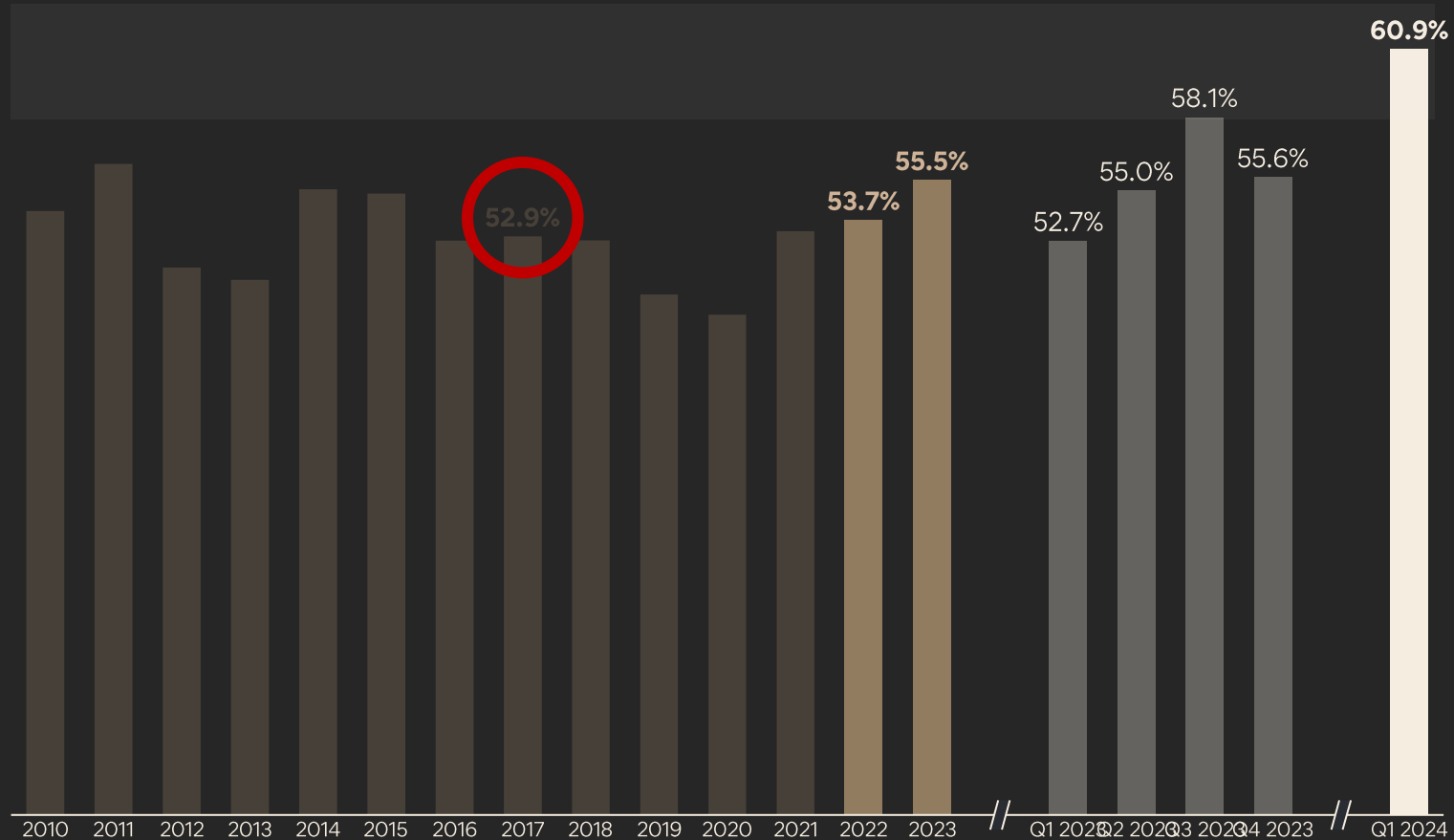
MODIVO Group's debt [PLN million]

\* Includes the following segments: CCC, HalfPrice and DeeZee  
 \*\* EBITDA compliant with bank financing covenants

# Summary



## All-time high gross margin delivered by the CCC business line



### Key contributors to CCC's margin expansion in Q1 2024:

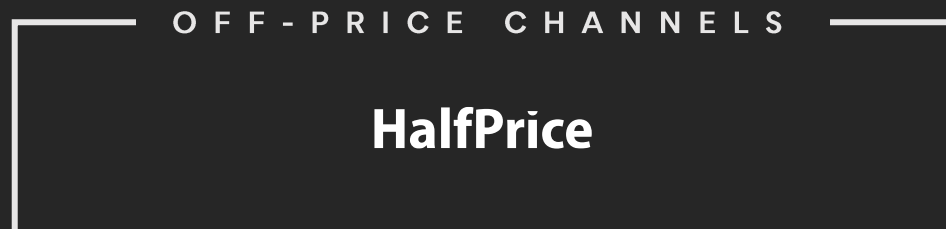
1. Renegotiated collection purchase terms
2. Predominant share of new collections in product mix (92% vs 72% LY)
3. Lower extent of discounting (unique product portfolio, brands selection unmatched by competitors)

CCC segment's gross margin [%]

## CCC Group has developed a unique business model



CLOSED PRODUCT LOOP ACHIEVED WITHIN THE GROUP



## Licensed brands in the CCC Group's product portfolio



BEVERLY HILLS  
POLO CLUB

NINE WEST  
NEW YORK

MEXX

Juicy Couture

SHAQ



ROXY  




DCSHOECOUSA



QUIKSILVER



BILLA  
BONG

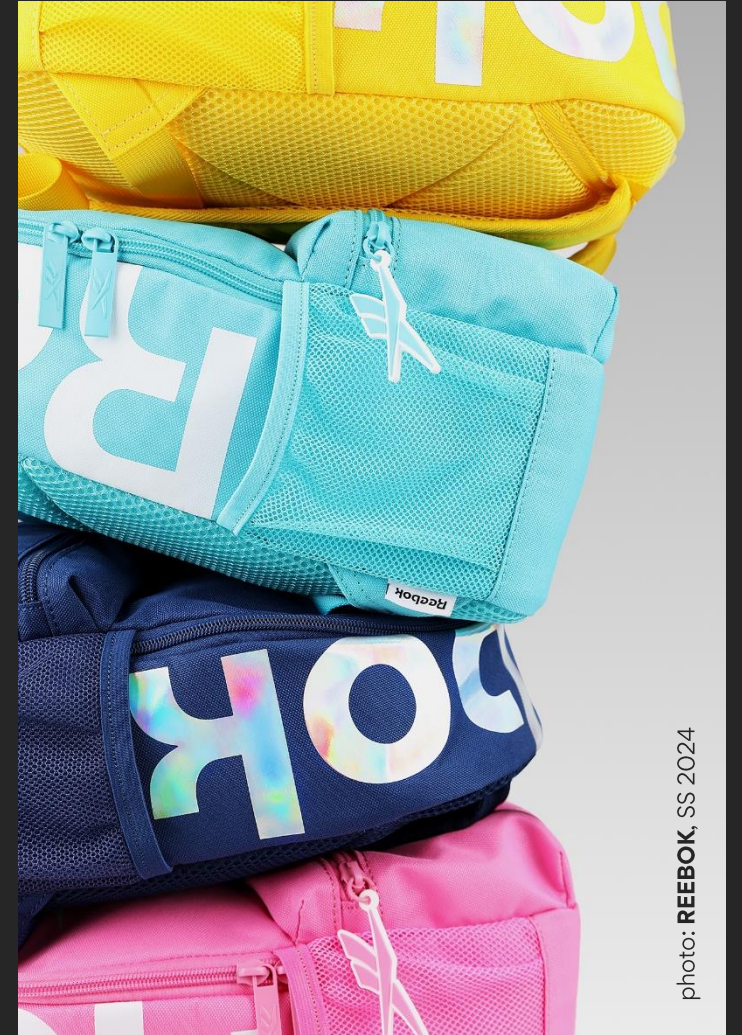
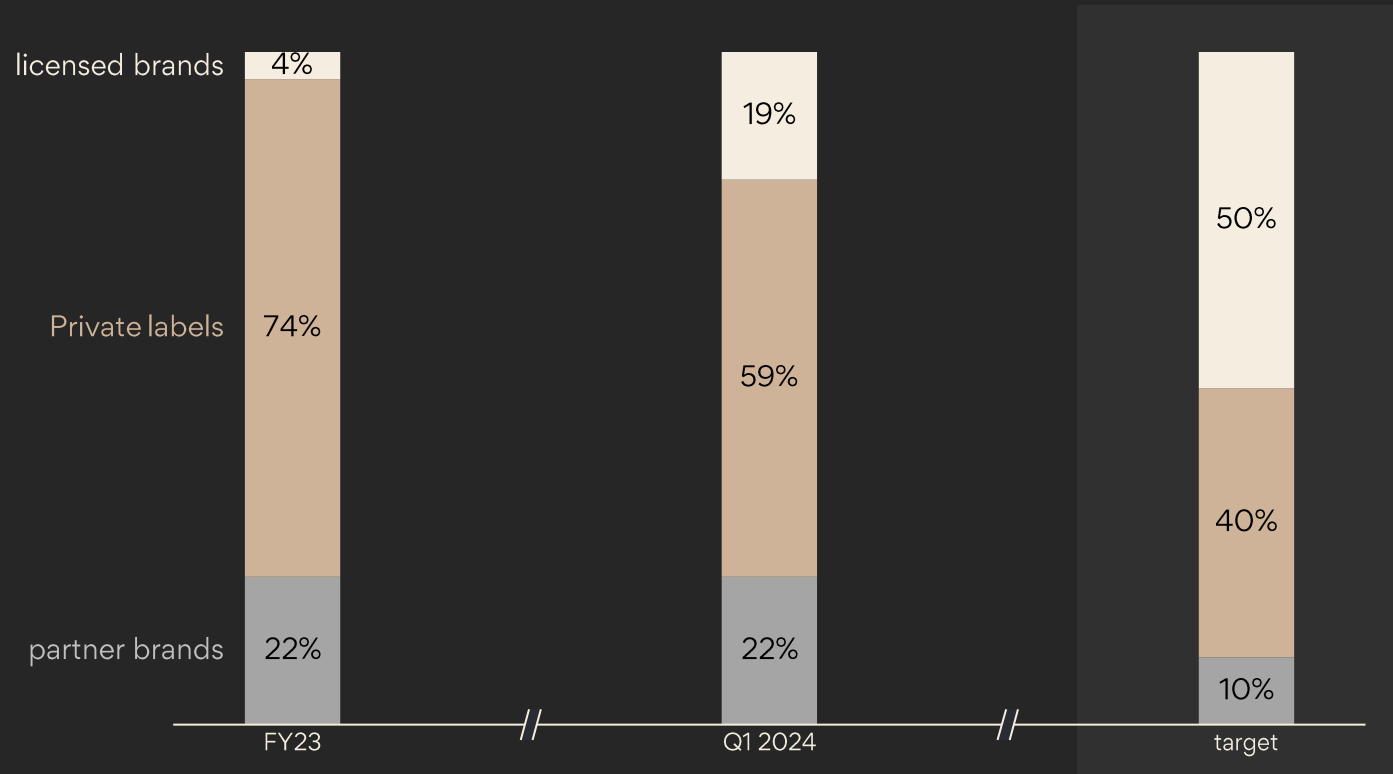


photo: REEBOK, SS 2024

## Growing share of licensed brands in total sales, boosting gross margin level



Shares of the respective brand categories in CCC's revenue [%]

### GROSS MARGIN\* in Q1 2024

**69%** licensed brands

**67%** Private labels (+ 6pp yoy)

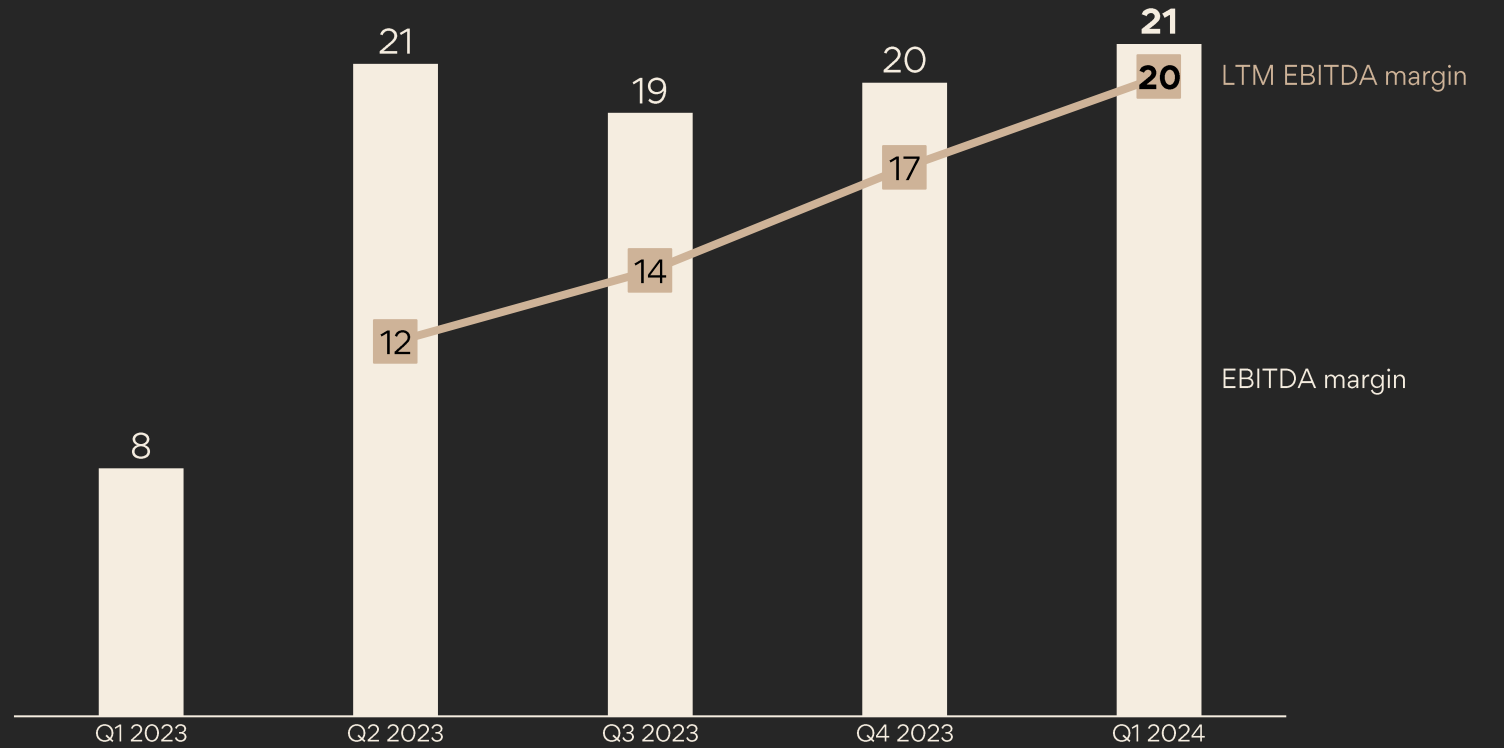
**53%** partner brands (+ 6pp yoy)

\* Gross operating margin on omnichannel sales, excluding royalty payments, etc.

## CCC – mature business line with sound and repeatable profitability profile



photo: MEXXX, SS 2024



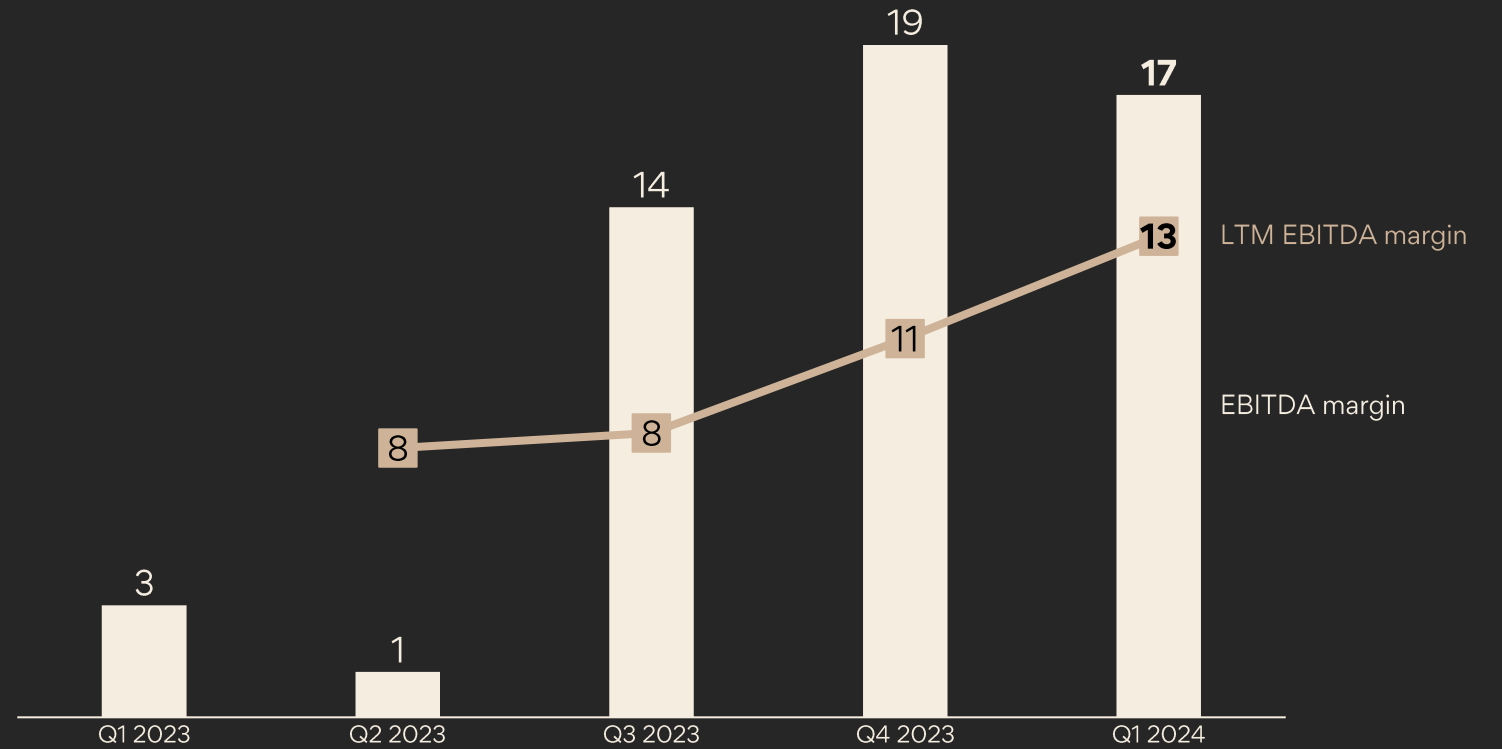
EBITDA margin and LTM EBITDA of the CCC segment [%]



## Rapid profitability improvement at strongly growing HalfPrice



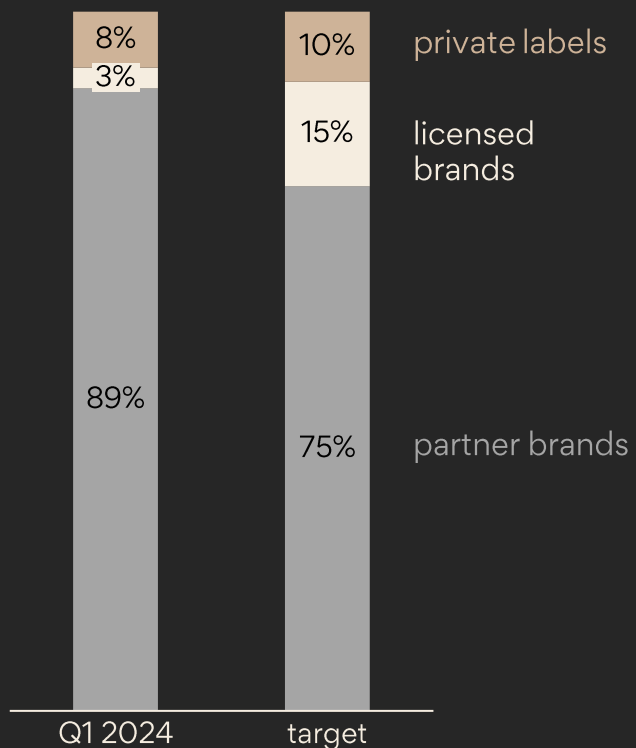
photo: HALFPRICE, SS 2024



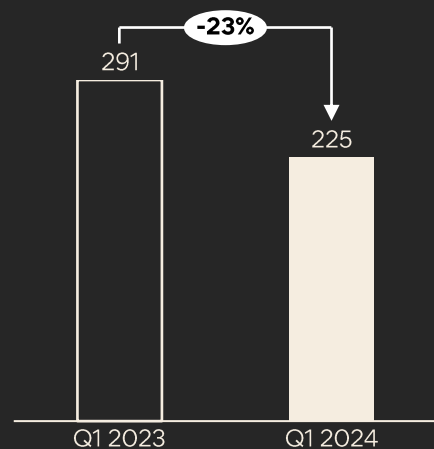
EBITDA margin and LTM EBITDA of the HalfPrice segment [%]

## MODIVO Group's profitability recovering on gross margin improvement

1 Increasingly prominent role of licensed brands in eobuwie product mix



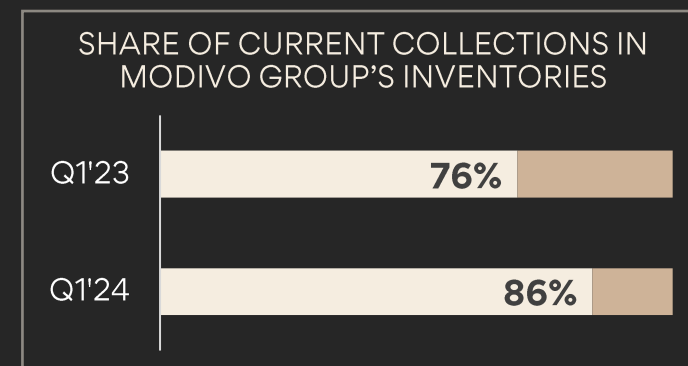
2 Focus on most profitable partner brands



Number of SKUs at MODIVO Group [thousand]

**75%** of turnover generated by TOP50 brands in Q1 2024

3 Improved inventory mix

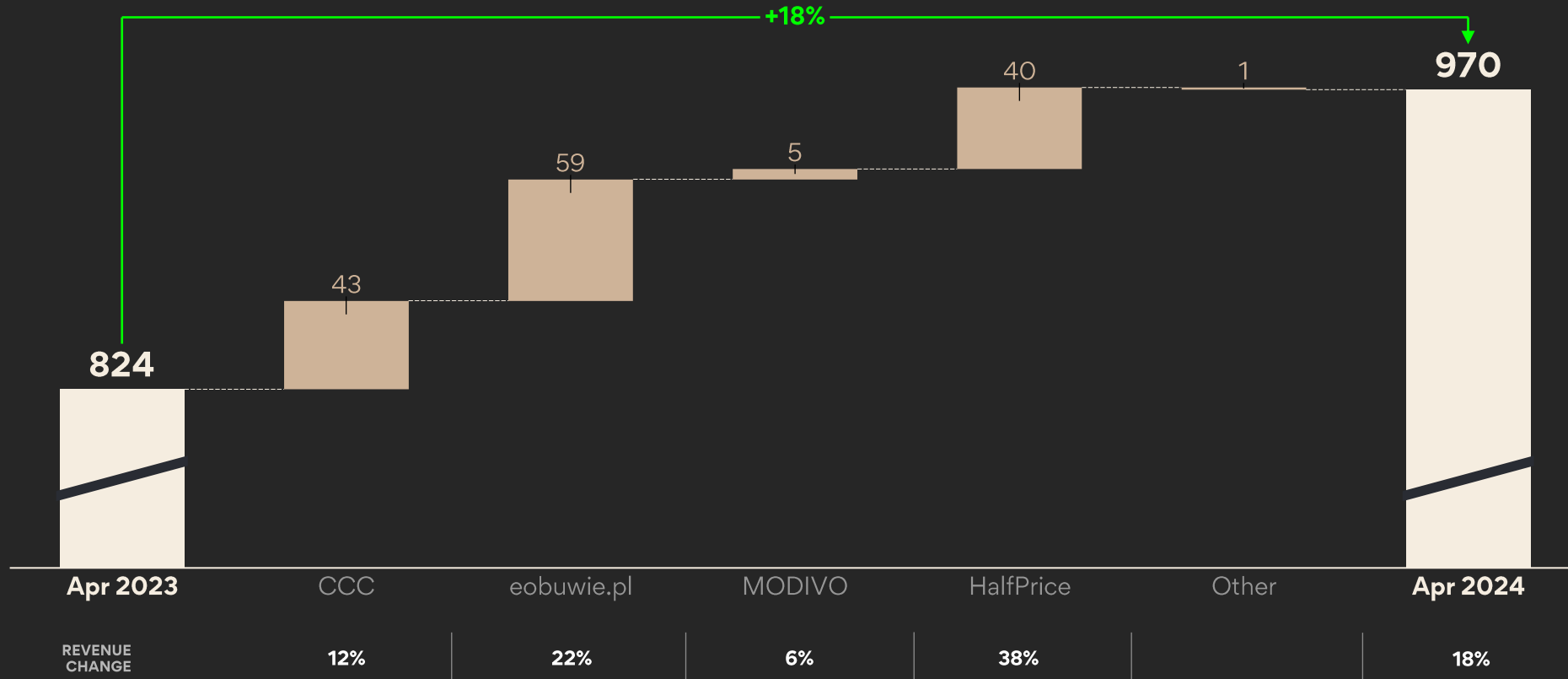


GROSS MARGIN ON CURRENT COLLECTION (SS24, Q12024)

**44%**

+15pp vs older collections

## Markedly faster revenue growth in April 2024



Change in CCC Group's revenue [PLN million]

## Projects implemented in 2023 as a sprinboard for further profitability improvement

- 1 Cost optimisation across all business lines
- 2 Inventory downsizing at Modivo Group
- 3 HalfPrice business upscaling
- 4 Debt reduction at CCC Business Unit
- 5 Development of high-margin licensing model – unprecedented shift in product portfolio



## Q&A



# Thank you!

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## Upcoming events:

**28.05.2024**

BM mBank conference „Polski Rynek  
Kapitałowy”, Warsaw

**03.06.2024**

DM Pekao conference „3rd Technology &  
Consumer Conference”, Warsaw

**4-6.06.2024**

Erste Securities „CEE Consumer  
Conference”, Warsaw

## Supportive material

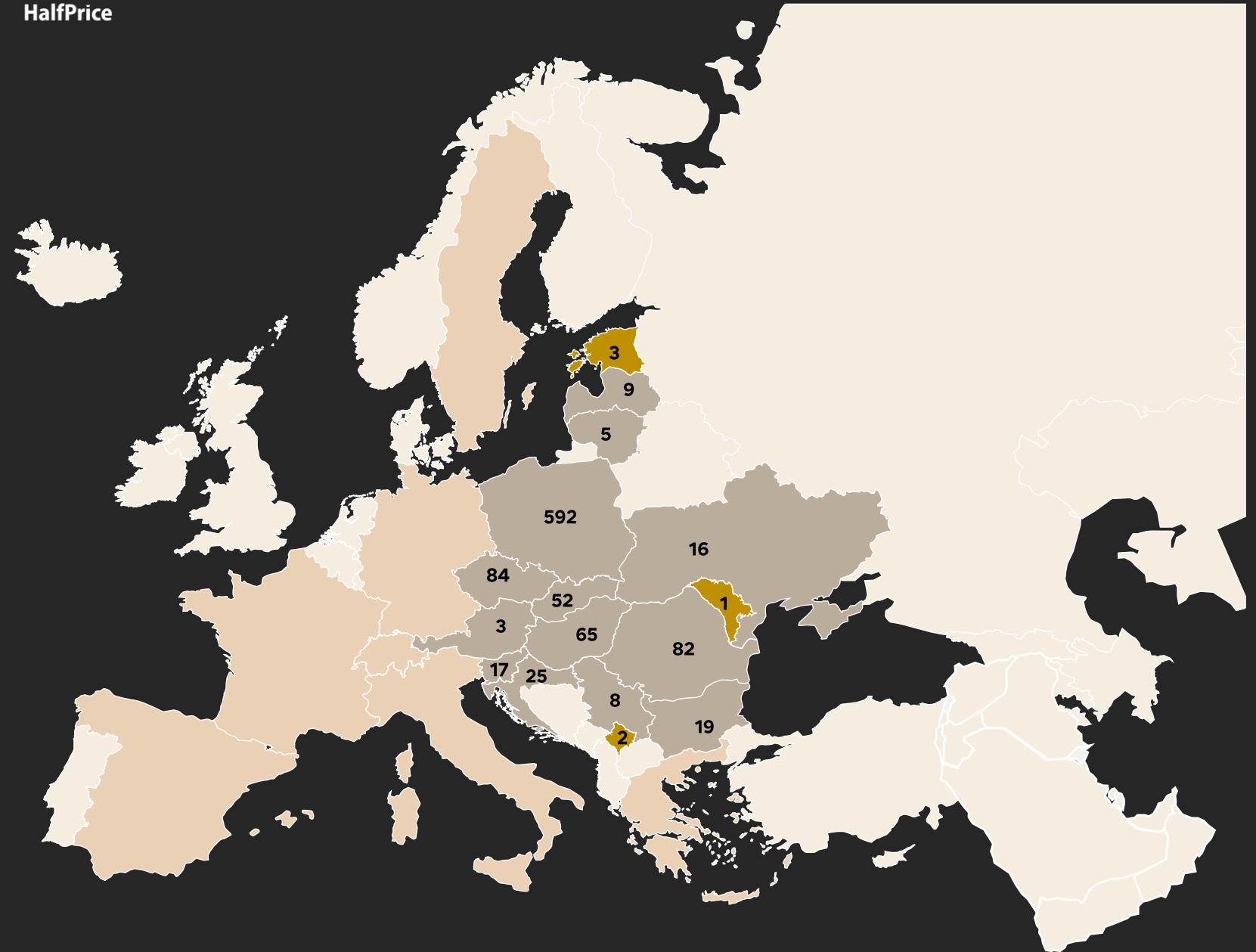
## Geographic availability of CCC Group stores

|            |     |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   | 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 in 23 markets

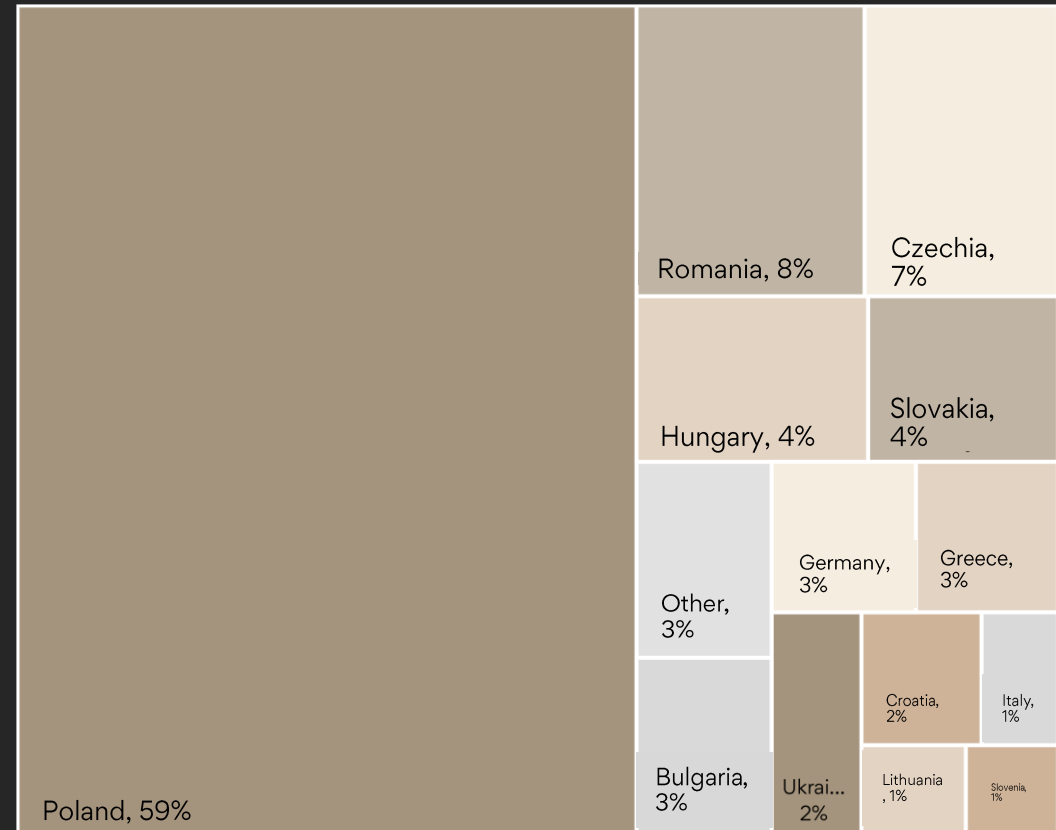
- Offline & Online  
13 MARKETS
- Offline  
16 MARKETS
- Online  
19 MARKETS



## CCC Group revenue in Q1'24

| Country      | Revenue* [mln PLN] | yoy       |
|--------------|--------------------|-----------|
| Poland       | 1 342              | 19%       |
| Romania      | 173                | 1%        |
| Czechia      | 147                | 5%        |
| Hungary      | 100                | -18%      |
| Slovakia     | 82                 | 9%        |
| Bulgaria     | 63                 | -15%      |
| Germany      | 57                 | 15%       |
| Greece       | 56                 | -21%      |
| Ukraine      | 53                 | 31%       |
| Croatia      | 42                 | -3%       |
| Italy        | 27                 | -16%      |
| Lithuania    | 25                 | -11%      |
| SLovenia     | 22                 | -7%       |
| Other        | 69                 | 3%        |
| <b>Total</b> | <b>2 256</b>       | <b>9%</b> |

## Contribution to the Group's revenue



\* Excluding consolidated adjustment, revenue not allocated to segments

## Geographic availability of CCC Group stores

| TYPE                  | COUNTRY      | 31.07.2022     |            | 31.10.2022     |            | 31.01.2023     |            | 30.04.2023     |            | 31.07.2023     |            | 31.10.2023     |            | 31.01.2024     |            | 30.04.2024     |            |
|-----------------------|--------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|
|                       |              | m <sup>2</sup> | #          | m <sup>2</sup> | #          | m <sup>2</sup> | #          | m <sup>2</sup> | #          | m <sup>2</sup> | #          | m <sup>2</sup> | #          | m <sup>2</sup> | #          | m <sup>2</sup> | #          |
| OWN                   | Poland       | 282 829        | 442        | 285 129        | 447        | 281 929        | 444        | 281 870        | 445        | 280 020        | 445        | 279 987        | 443        | 281 388        | 445        | 285 820        | 450        |
|                       | Czechia      | 50 046         | 85         | 50 046         | 85         | 48 507         | 82         | 48 507         | 82         | 48 064         | 79         | 47 959         | 79         | 47 311         | 77         | 45 099         | 74         |
|                       | Hungary      | 52 851         | 76         | 53 451         | 77         | 53 543         | 77         | 53 999         | 78         | 51 219         | 73         | 48 191         | 68         | 45 602         | 65         | 44 498         | 63         |
|                       | Austria      | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          |
|                       | Slovakia     | 34 338         | 52         | 33 183         | 51         | 32 628         | 50         | 32 183         | 49         | 31 569         | 47         | 31 569         | 47         | 30 584         | 46         | 29 559         | 46         |
|                       | Croatia      | 21 197         | 29         | 20 624         | 28         | 20 624         | 28         | 20 624         | 28         | 19 342         | 26         | 18 696         | 25         | 18 125         | 24         | 18 125         | 24         |
|                       | Russia       | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          |
|                       | Slovenia     | 12 589         | 17         | 12 589         | 17         | 11 763         | 17         | 11 295         | 16         | 11 295         | 16         | 10 396         | 15         | 9 697          | 14         | 9 697          | 14         |
|                       | Bulgaria     | 11 650         | 17         | 12 064         | 18         | 12 976         | 20         | 12 976         | 20         | 12 976         | 20         | 13 528         | 21         | 13 528         | 21         | 12 509         | 19         |
|                       | Serbia       | 11 050         | 14         | 11 050         | 14         | 11 050         | 14         | 10 339         | 13         | 8 995          | 11         | 7 618          | 9          | 7 004          | 8          | 7 004          | 8          |
|                       | Romania      | 48 420         | 76         | 48 928         | 77         | 48 340         | 76         | 48 456         | 76         | 46 133         | 73         | 46 850         | 74         | 46 155         | 73         | 46 389         | 73         |
|                       | Ukraine      |                |            |                |            |                |            | 9 898          | 17         | 9 190          | 15         | 9 190          | 15         | 9 788          | 15         | 9 829          | 15         |
|                       | Latvia       | 4 249          | 6          | 4 249          | 6          | 4 621          | 6          | 4 445          | 6          | 4 445          | 6          | 4 445          | 6          | 4 192          | 6          | 4 192          | 6          |
|                       | Lithuania    | 1 420          | 2          | 1 420          | 2          | 1 420          | 2          | 1 420          | 2          | 1 420          | 2          | 1 420          | 2          | 1 481          | 2          | 2 668          | 4          |
|                       | Estonia      | 2 879          | 3          | 2 879          | 3          | 2 879          | 3          | 2 879          | 3          | 2 879          | 3          | 2 879          | 3          | 2 948          | 3          | 2 948          | 3          |
| <b>CCC own stores</b> |              | <b>533 520</b> | <b>819</b> | <b>535 612</b> | <b>825</b> | <b>530 280</b> | <b>819</b> | <b>538 891</b> | <b>835</b> | <b>527 547</b> | <b>816</b> | <b>522 730</b> | <b>807</b> | <b>517 803</b> | <b>799</b> | <b>518 337</b> | <b>799</b> |
| FRANCHISE             | Ukraine      | 10 552         | 16         | 10 649         | 17         | 9 415          | 16         |                |            |                |            |                |            |                |            |                |            |
|                       | Latvia       |                |            |                |            |                |            |                |            |                |            |                |            |                |            |                |            |
|                       | Lithuania    |                |            |                |            |                |            |                |            |                |            |                |            |                |            |                |            |
|                       | Estonia      |                |            |                |            |                |            |                |            |                |            |                |            |                |            |                |            |
|                       | Moldova      | 740            | 1          | 740            | 1          | 740            | 1          | 740            | 1          | 740            | 1          | 740            | 1          | 740            | 1          | 740            | 1          |
|                       | Kosovo       | 1 958          | 2          | 1 958          | 2          | 1 958          | 2          | 1 958          | 2          | 1 958          | 2          | 1 958          | 2          | 1 958          | 2          | 1 958          | 2          |
|                       | Qatar        | 1 002          | 1          | 1 002          | 1          | 1 002          | 1          | 1 002          | 1          | 1 002          | 1          | 1 002          | 1          |                |            |                |            |
|                       | UAE          | 5 302          | 6          | 5 302          | 6          | 5 302          | 6          | 5 302          | 6          | 5 302          | 6          | 5 302          | 6          |                |            |                |            |
|                       | Saudi Arabia | 2 420          | 3          | 2 420          | 3          | 2 420          | 3          | 2 420          | 3          | 2 420          | 3          | 2 420          | 3          |                |            |                |            |
|                       | Bahrain      | 929            | 1          | 929            | 1          | 929            | 1          | 929            | 1          | 929            | 1          | 929            | 1          |                |            |                |            |
|                       | Oman         | 1 223          | 1          | 1 223          | 1          | 1 223          | 1          | 1 223          | 1          | 1 223          | 1          | 1 223          | 1          |                |            |                |            |
| <b>CCC franchise</b>  |              | <b>24 126</b>  | <b>31</b>  | <b>24 223</b>  | <b>32</b>  | <b>22 989</b>  | <b>31</b>  | <b>13 574</b>  | <b>15</b>  | <b>13 574</b>  | <b>15</b>  | <b>13 574</b>  | <b>15</b>  | <b>2 698</b>   | <b>3</b>   | <b>2 698</b>   | <b>3</b>   |
| eobuwie.pl            |              | 22 926         | 33         | 23 705         | 35         | 26 689         | 38         | 28 622         | 42         | 32 359         | 48         | 35 561         | 50         | 36 527         | 52         | 34 195         | 52         |
| Halfprice             |              | 127 983        | 76         | 141 714        | 84         | 152 102        | 91         | 170 240        | 101        | 190 397        | 109        | 221 649        | 121        | 226 261        | 123        | 239 126        | 129        |
| Gino Rossi            |              | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          | 0              | 0          |
| <b>CCC SUMMARY</b>    |              | <b>708 555</b> | <b>959</b> | <b>725 254</b> | <b>976</b> | <b>732 060</b> | <b>950</b> | <b>751 327</b> | <b>993</b> | <b>766 164</b> | <b>988</b> | <b>793 514</b> | <b>993</b> | <b>783 289</b> | <b>977</b> | <b>794 356</b> | <b>983</b> |

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