

Results presentation CCC Group

Q2 & Q3 2022

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November 4th 2022



Key developments Q3 2022

1

Strong revenue growth recorded by the Group from last year's high base

2

Solid EBITDA margin of the CCC segment

3

Double-digit EBITDA margin of HalfPrice

4

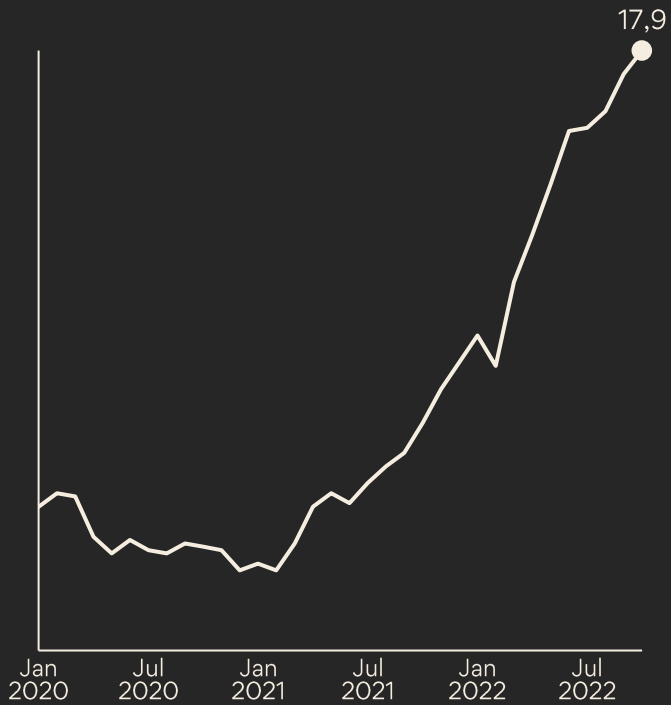
Launch and rapid scaleup of the MODIVO marketplace

5

Capital accumulation scheme as a response to turbulent market environment

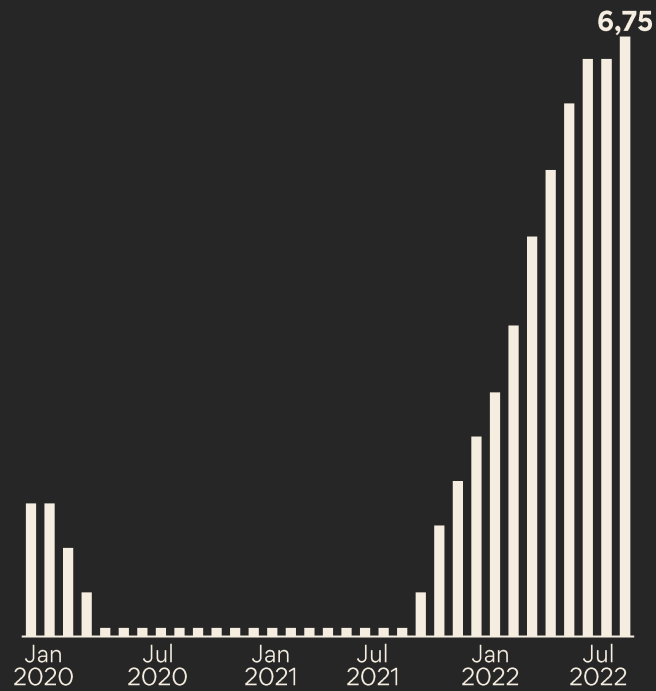


Spiralling inflation...



CPI inflation [%]
Source: Statistics Poland

...and higher cost of credit...



Reference interest rate [%]
Source: National Bank of Poland.

...putting strong pressure on consumers



Current and leading consumer confidence index
Source: Statistics Poland

CCC Group's response to unpredictable market environment

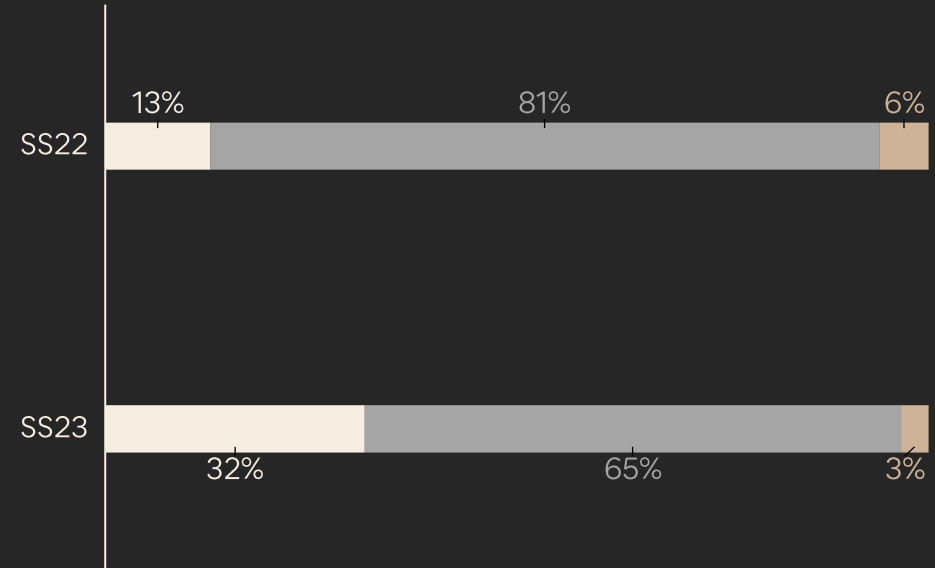
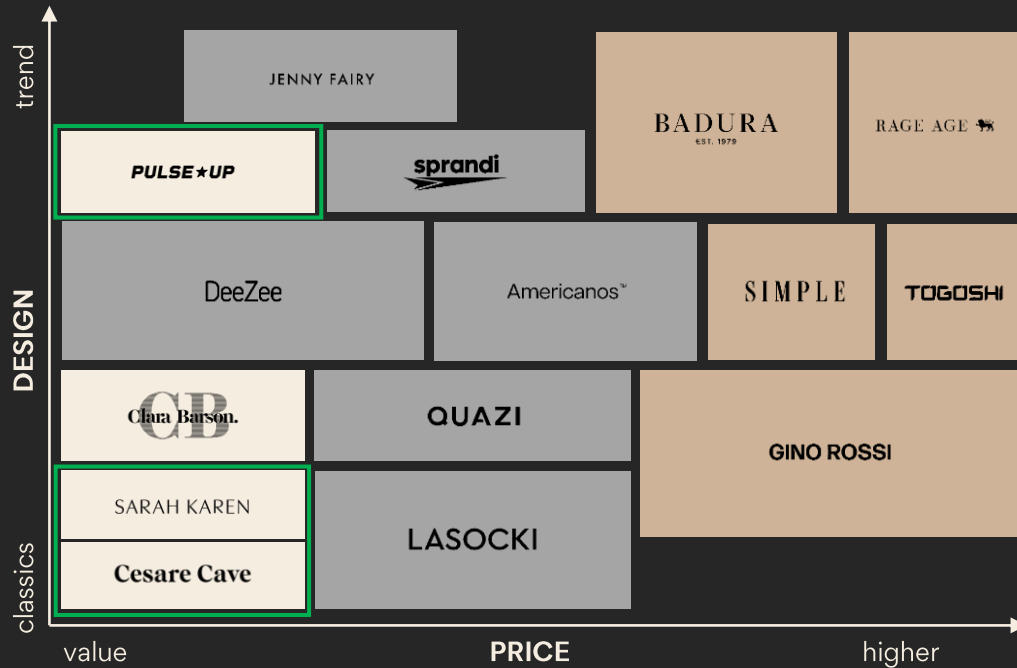
Cost reduction	PLN 310m	effect of savings measures for August 1st 2022–July 31st 2023 – including PLN 220m at CCC and HalfPrice and PLN 90m at eobuwie and MODIVO.			
	100 HR	115 marketing	32 HQ	33 expansion	30 other
Working capital optimisation	- 85 days	Cash conversion cycle at CCC improved at year end 2022	<ul style="list-style-type: none"> - inventory turnover shortened by 60 days (from 300 to 240) - days payables outstanding extended by 25 days (from 90 to 115) 		
Capex reduction	- 25 %	CCC and HalfPrice CAPEX for 2023 vs 2022			
Additional capital	<ul style="list-style-type: none"> – CCC S.A. share issue * – Sale and leaseback of assets 		<ul style="list-style-type: none"> – New financing raised for HalfPrice – MODIVO IPO** 		
Debt reduction	PLN ~360m	Reduced financial debt at CCC S.A. following repayment of amounts owed to banks and bondholders			

* To be voted on by shareholders at EGM scheduled for November 17th 2022
** Subject to prevailing market conditions

Product portfolio aligned with consumer buying power

Expanding the portfolio to include economy brands....

...and increasing their share in total procurement volume



BRANDS
ECONOMY | . MAINSTREAM | UPPER
NEW

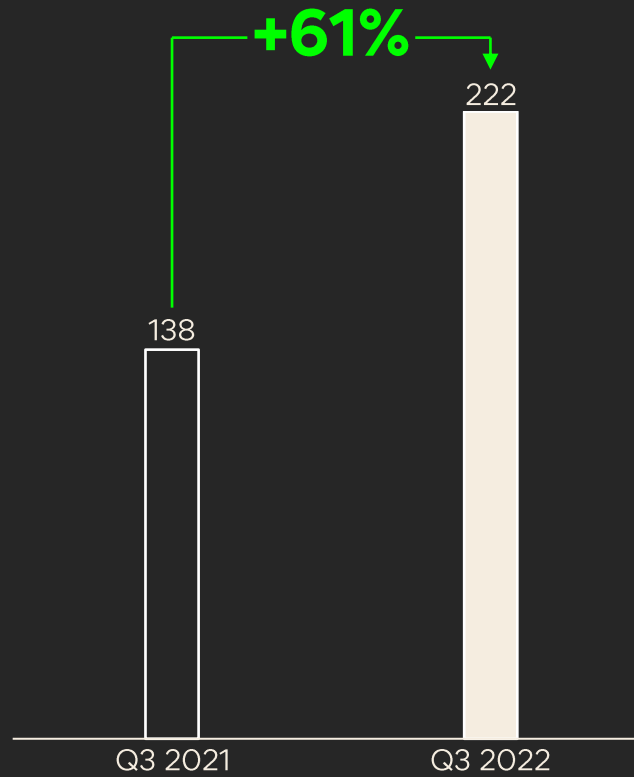
Share in order structure and total number of footwear pairs ordered

Continued development of the omnichannel business model

Steady increase in sales/m²...

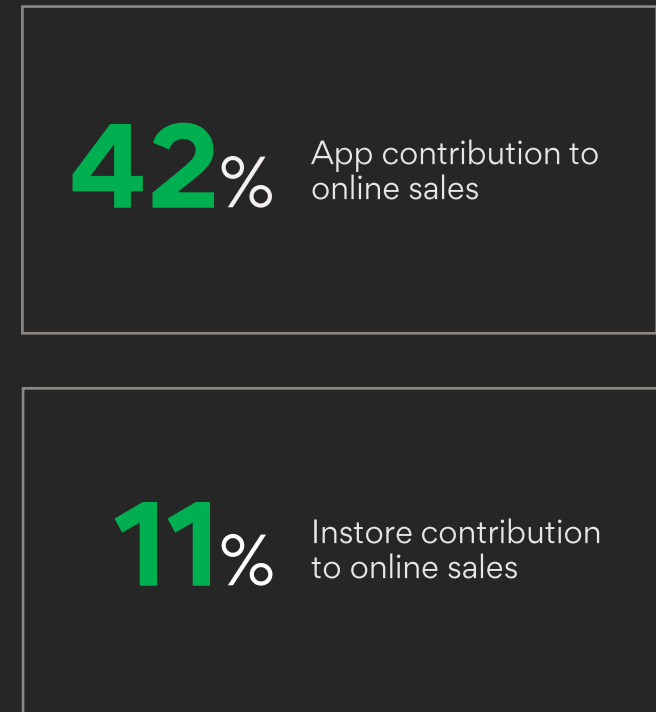


...driven by strong revenue growth at ccc.eu...



ccc.eu's revenue [PLNm]

...supported by monetisation of omnichannel solutions



Eobuwie.pl zones deployed in-store at CCC...



...as a platform to monetise cross-concept synergies

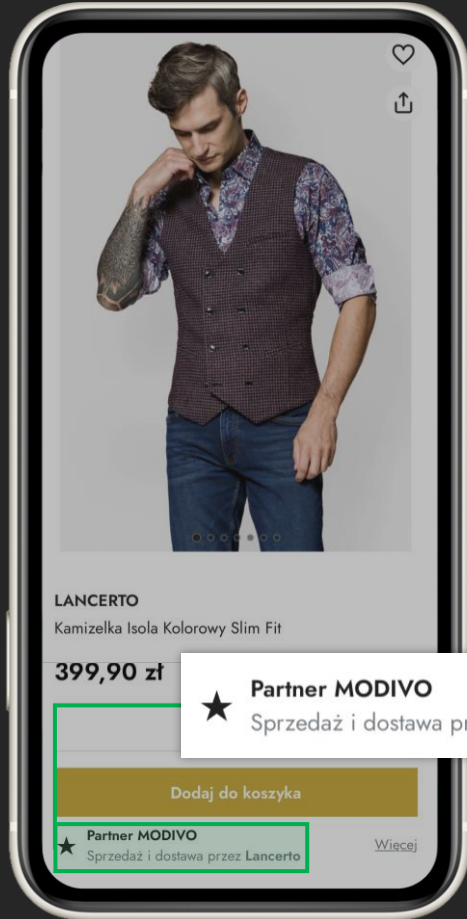
eobuwie.pl – new effective format catering to customer segment looking for omnichannel experience

- Reserve & collect function
- Lower expenditure vs stand-alone eobuwie store
- Flexibility – ability to migrate zones to other locations

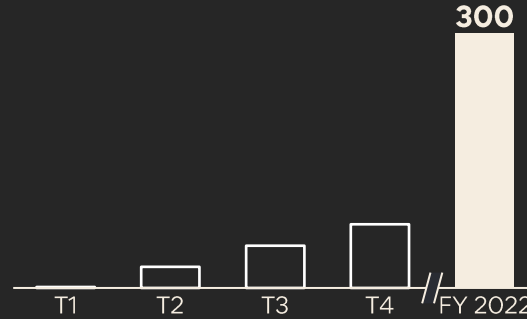
Synergies with the CCC Group

- Use of CCC's existing locations – better monetisation of space/m²
- Building a footwear destination with combined CCC and eobuwie offerings

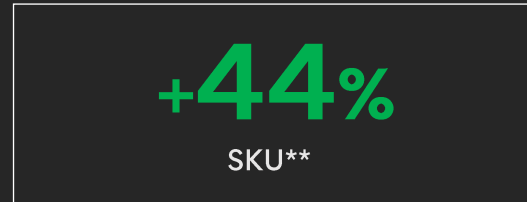
Launch of the MODIVO marketplace ...



...and fast service rollout ...



Number of merchants per marketplace*



New product categories

- Home decor
- Beauty

...as a tool enabling business scaleup without additional outlays

1. MODIVO offering made more attractive

- Significant growth in offering size
- Competitive pricing

2. Evolution towards asset-light model

- No working capital required
- Logistics support provided by partners and no need to invest in storage capacity expansion

3. Fixed margin

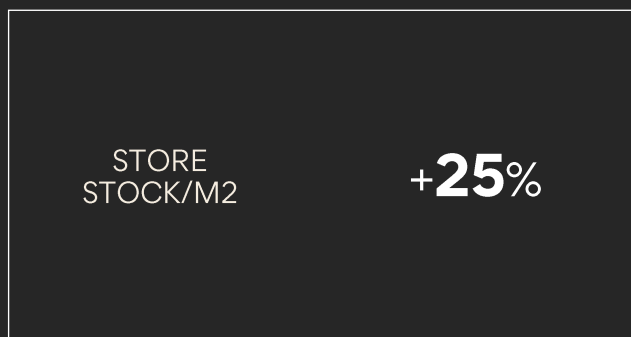
- Commission fee unrelated to prices offered by partners

4. Further monetisation potential

- Further monetisation potential through advertising

* Onboarding of merchants within weeks of the marketplace launch (October 12th 2022)
 ** Modivo SKU growth at year end 2022 vs September 2022 following the marketplace launch

Steady improvement in KPIs...



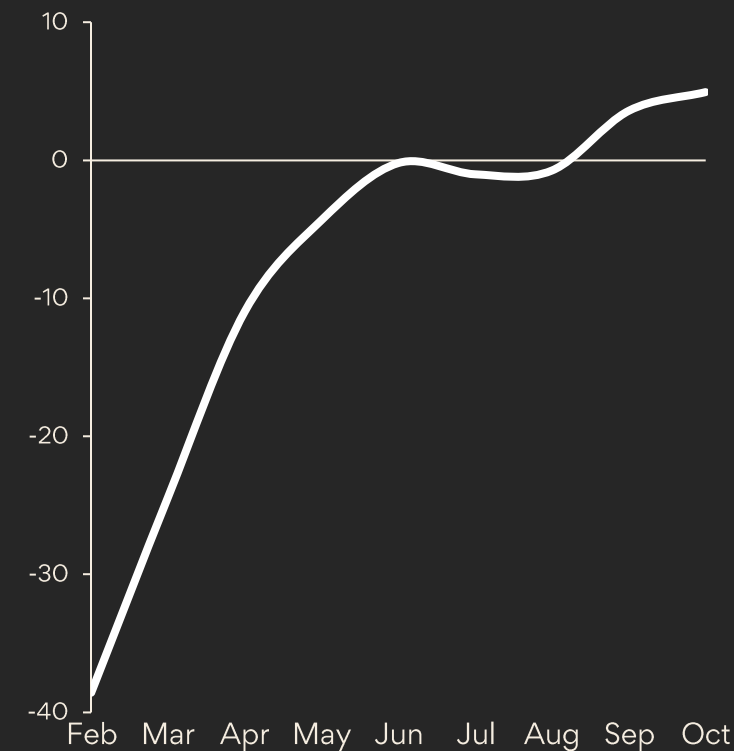
HalfPrice KPIs Q3 2022 (LFL)

...leading to a jump in LFL sales....

+25%
LFL
(20 stores)

LFL sales Q3 2022

...and operating profitability



YTD EBITDA margin [%]

Results



CCC Group –
summary of financial
results
for Q2 2022



Q2 2022 – revenue growth and gross margin improvement despite challenging market backdrop

Performance affected by one-offs

Q2

	2022 REPORTED	YoY	2022 PRELIM	REPORTED VS PRELIM
REVENUE [PLNm]	2,377	17%	2,378	0%
GROSS PROFIT	1,129	18%	1,130	0%
<i>gross margin [%]</i>	47.5%	0.3pp	47.5%	0.0pp
Sales and administrative costs	-1,028	17%	-1,030	0%
<i>cost ratio [%]</i>	43.2%	0.0pp	43.3%	-0.1pp
Other expenses/income and impairment losses	-71	N/A	-21	70%
EBIT [PLNm]	31	-60%	79	-60%
<i>EBIT margin [%]</i>	1.3%	-2.5pp	3.3%	-2.0pp
EBITDA [PLNm]	179	-21%	224	-20%
<i>EBITDA margin [%]</i>	7.5%	-3.6pp	9.4%	-1.9pp
Adjusted EBITDA* [PLNm]	250	9%	245	2%
<i>adjusted EBITDA margin * [%]</i>	10.5%	-0.7pp	10.3%	0.2pp

PLN 36m – expected credit loss allowance (receivables from wholesale trade partners)

PLN 9m – exchange differences on trade payables

photo: Simple, AW22

* EBITDA excluding one-offs

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

Positive cash flows in the CCC segment used to finance HalfPrice growth...

...and separate financing stream of the MODIVO Group

PLNm, H1 2022 data

		CCC	HalfPrice	MODIVO Group
P&L	Revenue	2 120	300	1 919
	EBITDA	128	-3	102
Working capital	Change in inventories	12	-77	-290
	Change in receivables	9	-6	-31
	Change in liabilities	75	59	185
Investing cash flows	CAPEX	-88	-91	-67
	EBITDA + NWC + CAPEX	135	-117	-102

SEPARATE

FINANCING

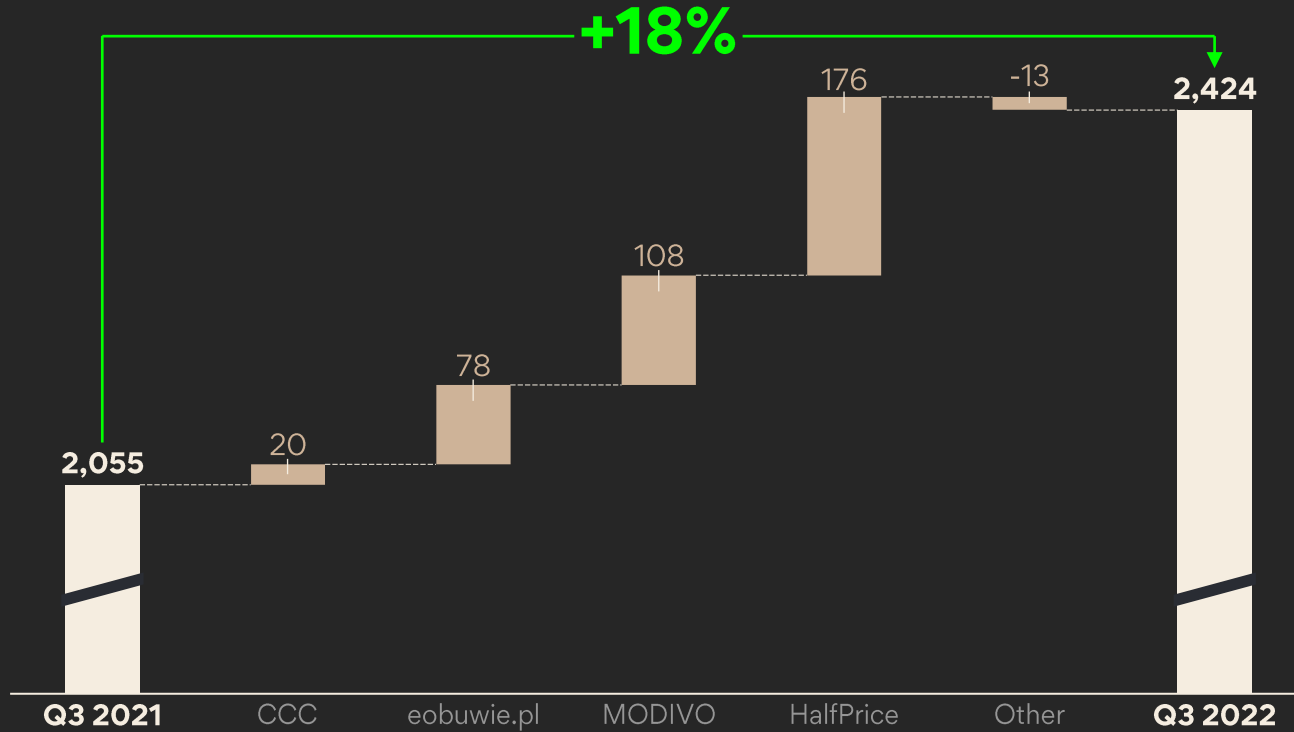


photo: MODIVO, AW22

CCC Group – preliminary financial results for Q3 2022



Strong revenue growth delivered across all segments



REVENUE GROWTH	2%	11%	89%	214%
INVENTORY GROWTH	-2%	26%	101%	198%

Change in the CCC Group's revenue [PLNm]

...and fast growing contribution of the Group's e-commerce

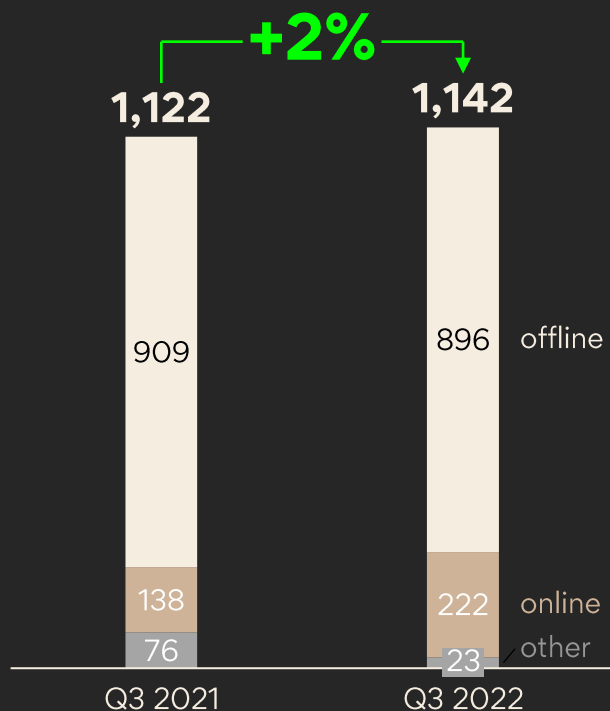
SHARE OF E-COMMERCE

52%

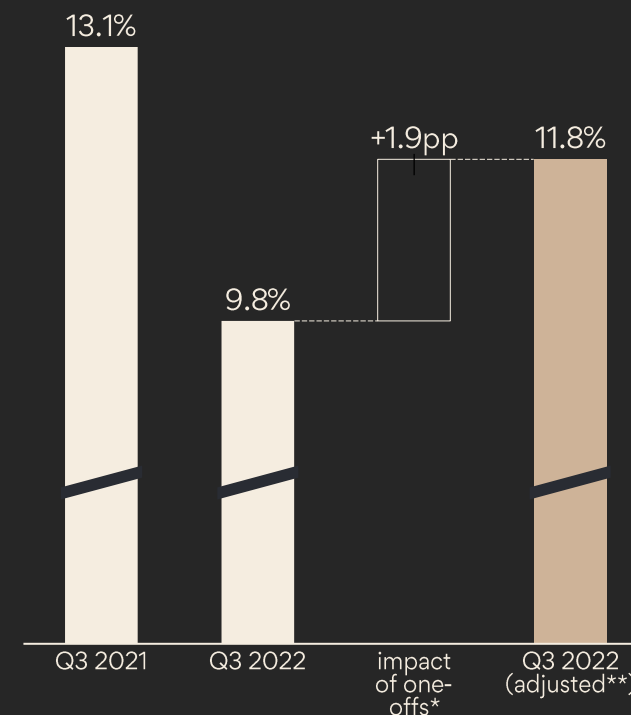
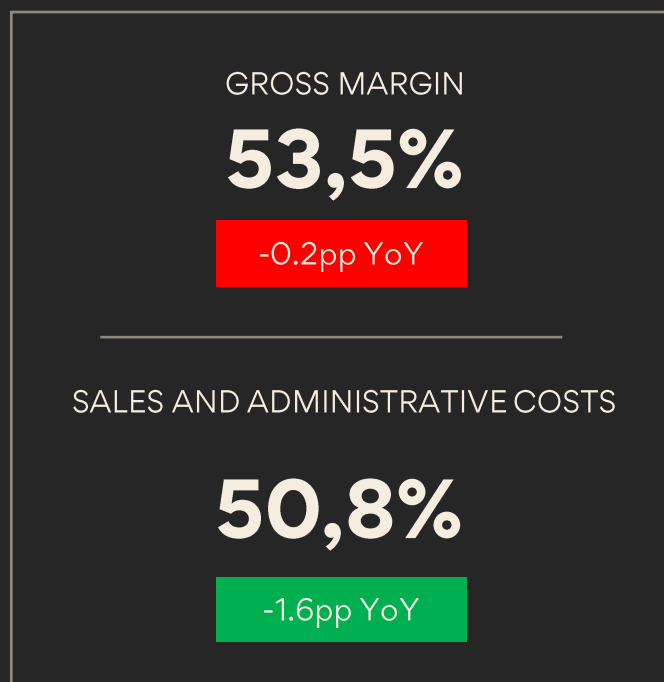
+4pp YoY

Revenue growth with a decline in retail space....

...and reduction of SG&A costs in an environment of strong inflationary pressure



Change in CCC's revenue [PLNm]

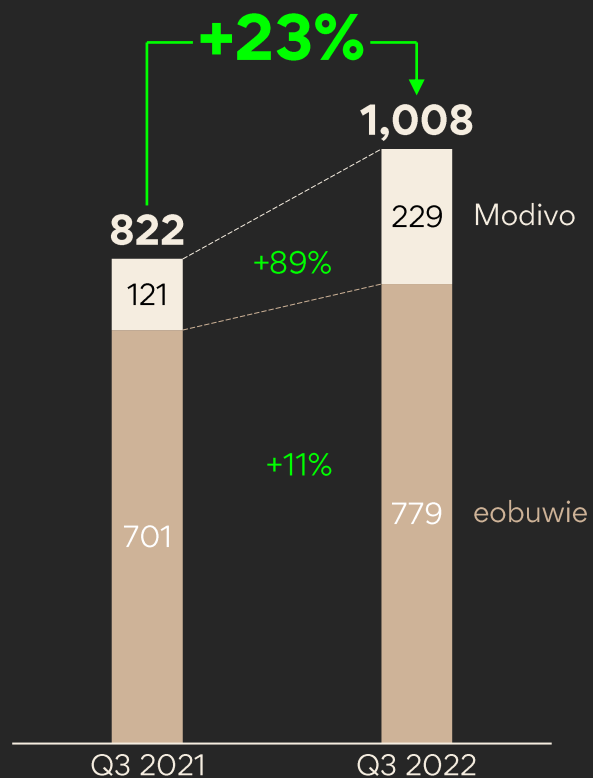


CCC's EBITDA margin [%]

* Effect of exchange differences at PLN 18m
** EBITDA margin excluding one-offs

CCC's results cover the reportable segment 'CCC Omnichannel' and the reportable segment 'Other'

MODIVO Group's profitability under pressure from aggressive pricing competition and strategic growth capex

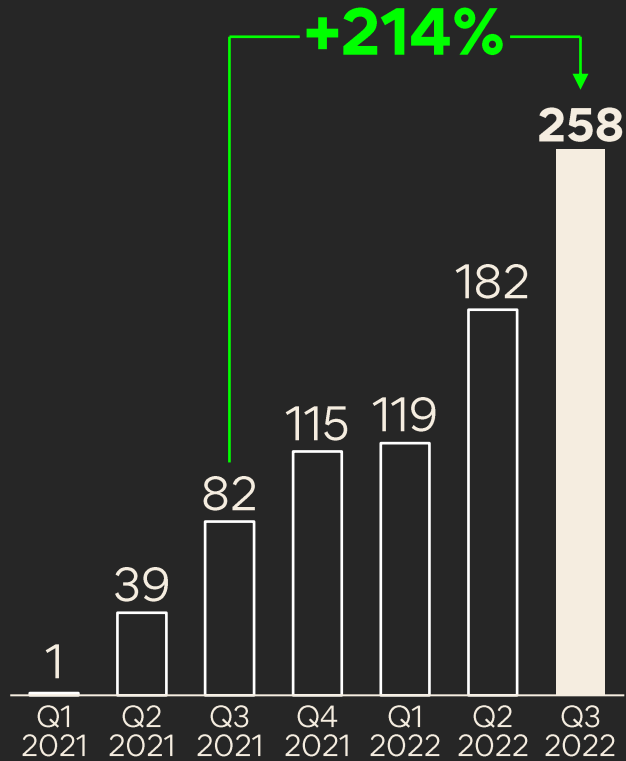


Change in MODIVO Group's revenue [PLNm]

% OF REVENUE	Q3 2021	Q3 2022	YOY
Gross margin	42,7%	40,3%	-2.4pp
<i>Eobuwie's gross margin</i>	43,2%	40,2%	-3,0 p.p.
<i>Modivo's gross margin</i>	39,9%	40,5%	0,6 p.p.
SG&A	37,1%	41,1%	4,0 p.p.
<i>Logistics</i>	7,7%	7,7%	0,0 p.p.
<i>Marketing</i>	16,3%	16,6%	0,3 p.p.
<i>Administrative and other</i>	13,7%	16,4%	2,7pp
<i>Other expenses/income and impairment losses</i>	-0,5%	0,5%	1,0 p.p.
EBIT	5,6%	-0,8%	-6,4 p.p.
EBITDA	7,5%	1,0%	-6,5 p.p.

Fastest growing segment of the Group...

...delivering solid EBITDA margin



HalfPrice revenue [PLNm]

GROSS MARGIN

50,4%

+0.4pp YoY

EBITDA MARGIN

12,3%

+11.1pp YoY

Revenue growth from last year's challenging base

Performance affected by one-offs

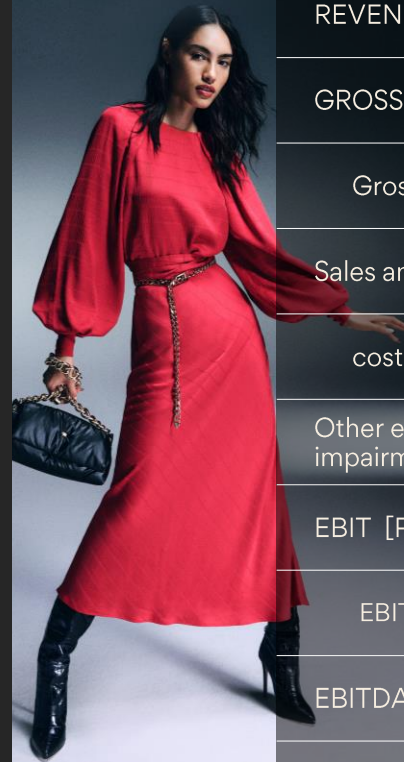
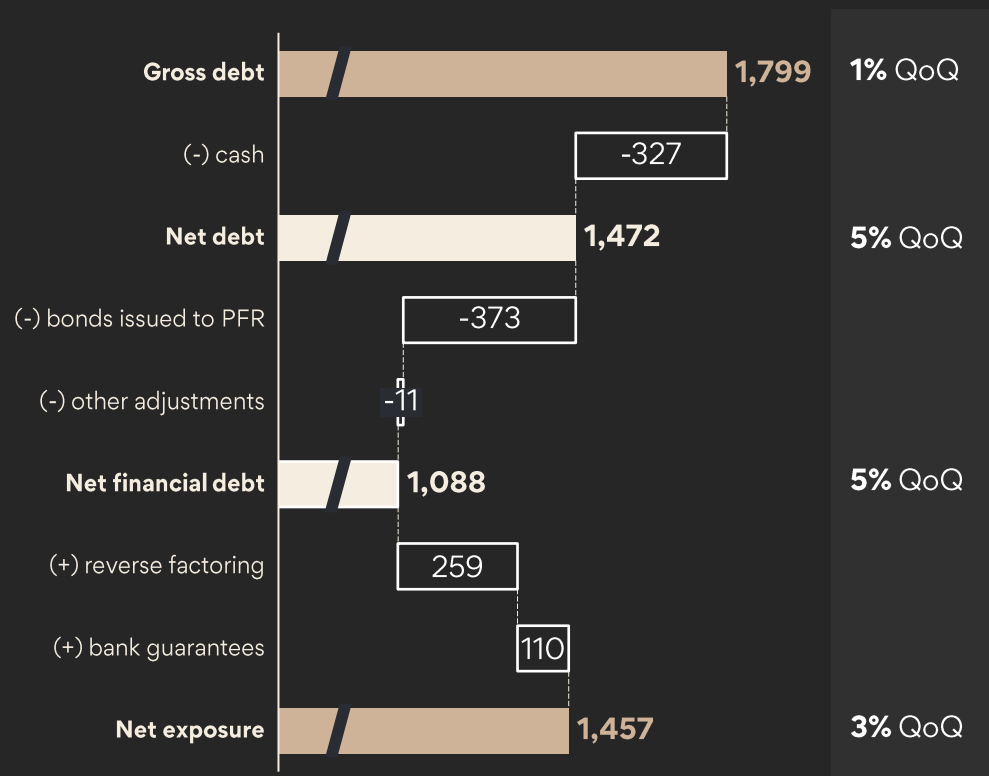


photo: Rage Age, AW22

	Q3		
	2021	2022	YoY
REVENUE [PLNm]	2055	2424	18%
GROSS PROFIT	1011	1163	15%
Gross margin [%]	49,2%	48,0%	-1,2 p.p.
Sales and administrative costs	-954	-1118	17%
cost ratio [%]	46,4%	46,1%	-0,3 p.p.
Other expenses/income* and impairment losses	16	-24	N/A
EBIT [PLNm]	73	21	-71%
EBIT margin [%]	3,6%	0,9%	-2,7 p.p.
EBITDA [PLNm]	212	173	-18%
EBITDA margin [%]	10,3%	7,2%	-3.1pp
Adjusted EBITDA* [PLNm]	196	197	1%
adjusted EBITDA margin* [%]	9,5%	8,1%	-1.4pp

* EBITDA excluding one-offs, effect of exchange differences at PLN 24m

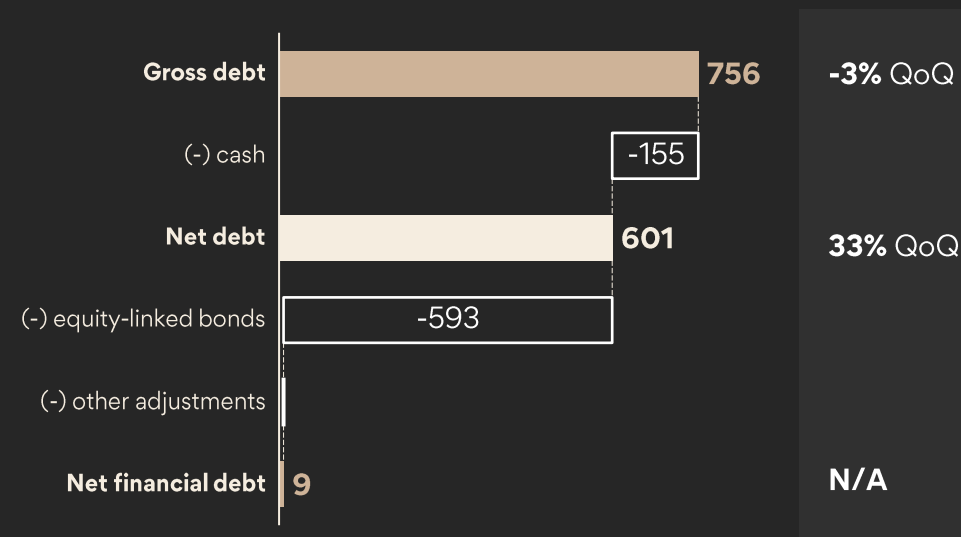
Stable QoQ financial position of the CCC Business Unit...



CCC Business Unit's debt* [PLNm]

* Includes the following segments: CCC, HalfPrice and DeeZee

...and financing of the MODIVO Group mainly through convertible bonds



MODIVO Group's debt [PLNm]

Summary



Commitment to responsible products...



Sprandi x Disney's 'Celebrate Nature' collection – footwear and accessories made partly from recycled materials

...and sustainable logistics ...



Ekozwroty sustainable returns service implemented jointly with InPost and paperbacks used by CCC, eobuwie and HalfPrice

...as the Group's response to climate change



1st place in the ranking of Climate Aware Companies

2022 outlook revised due to uncertain perception of consumer buying power

Group's revenue [PLNbn] **9-10**

9.0-9.2

CCC's gross margin [%] **52-54%**

53-55%

Group's SG&A cost ratio [%] **44-46%**

45-47%

Group's CAPEX [PLNm] **450-500**
MODIVO Group 250-300

420-470
MODIVO Group 250-300

HalfPrice store rollout [number of stores] **~50**

~40

April 2022 assumptions

Current outlook



2022 at the MODIVO Group



photo: Simple, AW22

Key facts Q3 2022

1

Strong **revenue growth** recorded by the Group in Q3 2022 (+18% YoY) from last year's high base (+28%)

2

Solid, **10% EBITDA margin** delivered by the CCC segment, impacted by one-offs

3

Over PLN 30m in HalfPrice's EBITDA – segment profitable after only 5 quarters from the format's inception

4

Launch of the MODIVO marketplace – **business scaleup without the need to invest in working capital and logistics**

5

Lower costs, faster cash turnover, reduced CAPEX and repayment of debt in response to uncertain market environment

Thank you!

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Upcoming events:

Nov 23 2022

Consolidated report
for Q3 2022

Dec 6-9 2022

Winter Wonderland
EME Conference
– Prague (Wood)

Questions and answers

photo: MODIVO, AW22



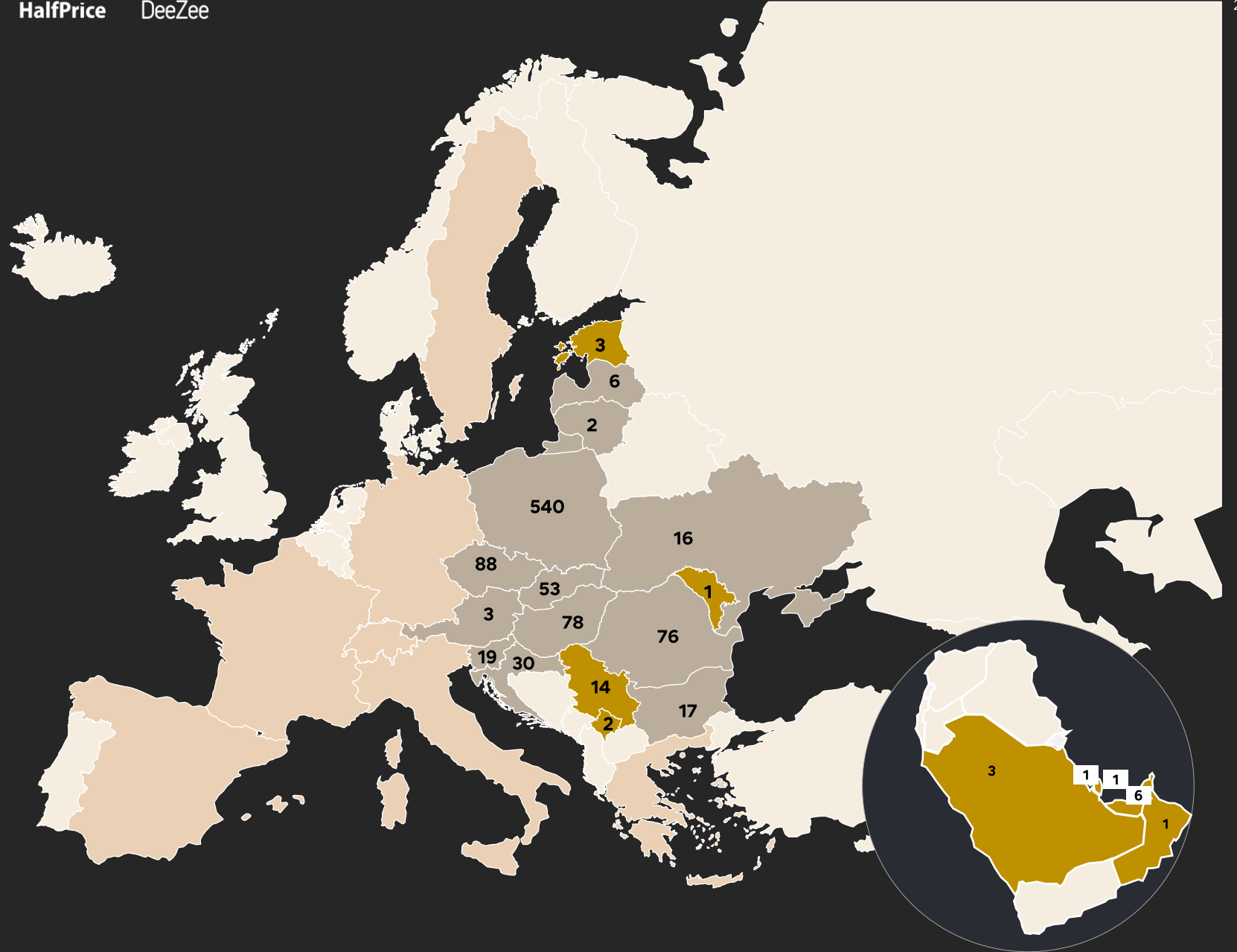
Support material

Geographic availability of CCC Group stores

																	Other B&M ¹	Other e-com ²
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 28 markets

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

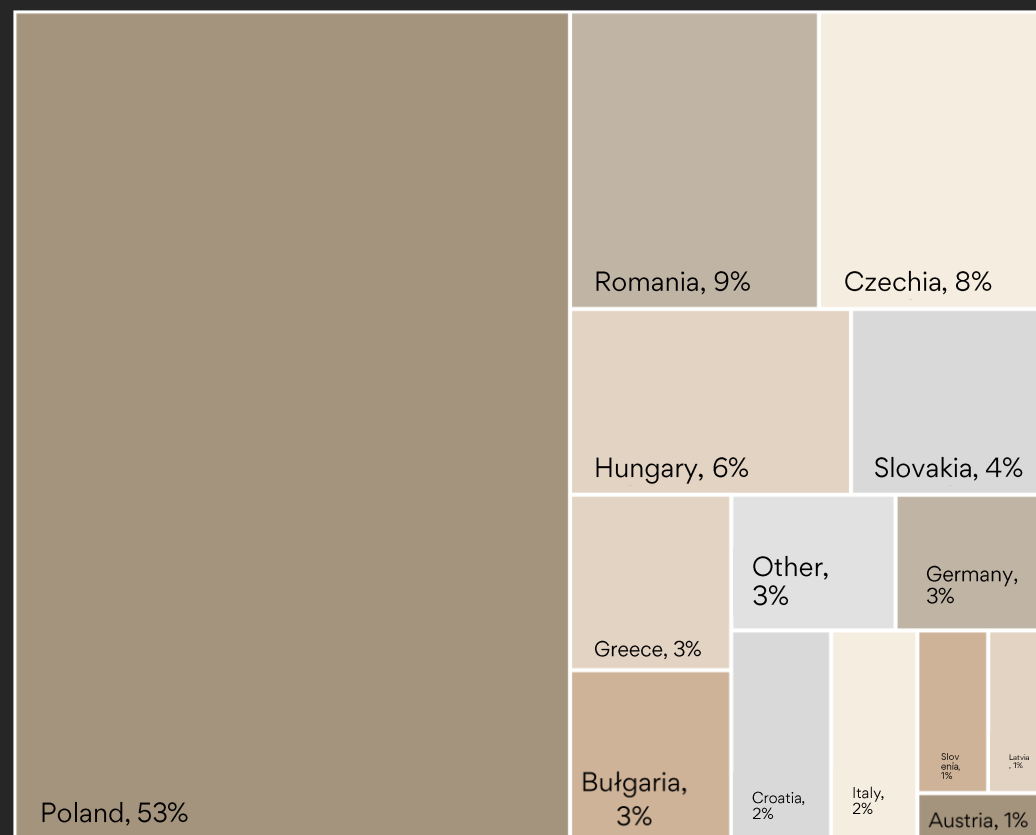


CCC Group's revenue Q2 2022

COUNTRY	REVENUE* [PLNm]	YoY
Poland	1,269	18%
Romania	204	24%
Czech Republic	193	37%
Hungary	143	7%
Slovakia	104	8%
Greece	78	18%
Bulgaria	76	27%
Germany	60	20%
Croatia	58	47%
Italy	50	63%
Slovenia	32	60%
Lithuania	30	0%
Austria	19	-59%
Other	61	-28%
TOTAL	2,377	17%

* Excluding consolidation adjustment, revenue not allocated to segments

Contribution to the Group's revenue



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CCC

GROUP

CCC

eobuwie.pl

MODIVO

HalfPrice

DeeZee
GIRLS DO IT BETTER

