



CCC
SHOES & BAGS

Results presentation
Q3 2017

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**BUSINESS
SUMMARY**

+25,5% LFL IN BRICK AND
MORTAR STORES

897

STORES

+9%
YOY

16

COUNTRIES „OFFLINE”

10

COUNTRIES „ONLINE”


+48,5% GROUP'S
SALES
GROWTH

+102% ONLINE
SALES
GROWTH



ROLLOUT OF NEW CONCEPT STORES

20 NEW FORMAT STORES
AS OF 30.09.2017



COMMENCEMENT OF DIGITAL TRANSFOR- MATION

07.2017 **KICKOFF OF PROJECTS**
AIMED AT FULL INTEGRATION OF
OFFLINE AND ONLINE CHANNELS AND
IMPROVEMENT OF MANAGEMENT TOOLS



PUBLIC OFFERING

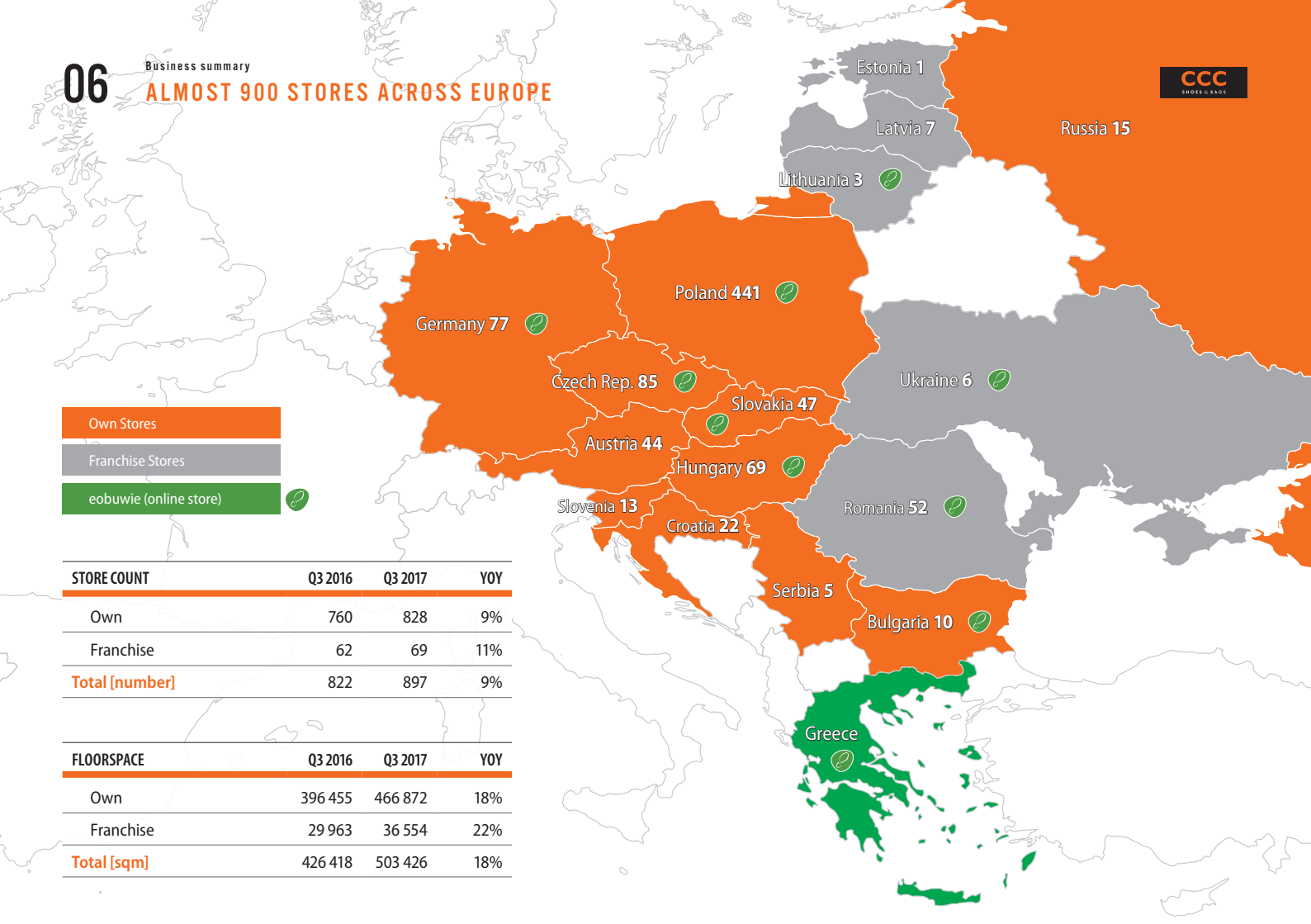
07.09.2017 RAISING **530M PLN**
FOR FURTHER DYNAMIC GROWTH OF CCC GROUP
(funds accounted for on 02.10.2017)

ALMOST 900 STORES ACROSS EUROPE

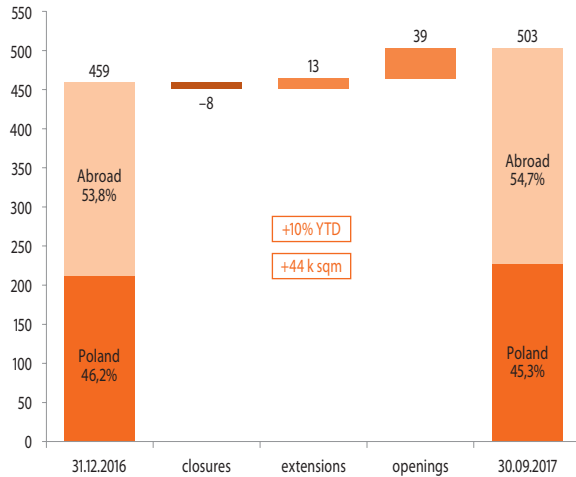


STORE COUNT	Q3 2016	Q3 2017	YOY
Own	760	828	9%
Franchise	62	69	11%
Total [number]	822	897	9%

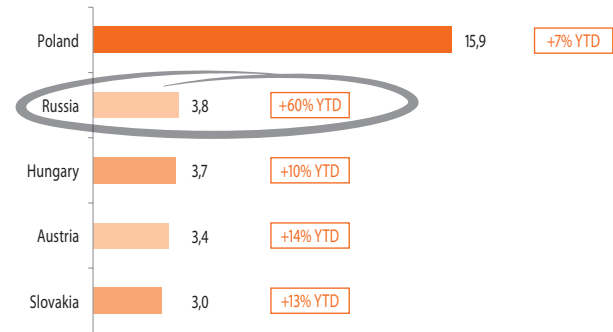
FLOORSPACE	Q3 2016	Q3 2017	YOY
Own	396 455	466 872	18%
Franchise	29 963	36 554	22%
Total [sqm]	426 418	503 426	18%



NEW FLOORSPACE SOURCES,
YEAR TO DATE [k sqm]



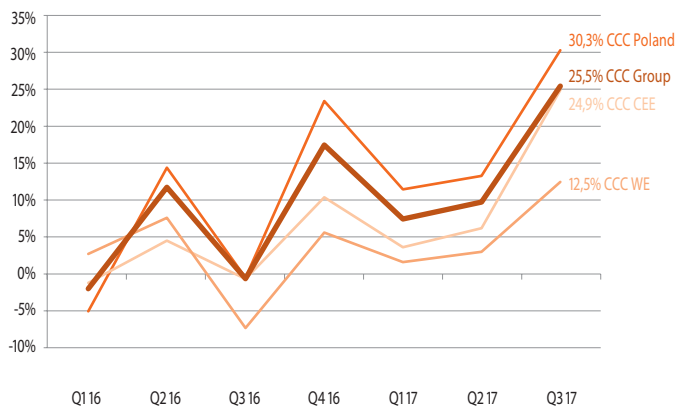
FLOORSPACE GROWTH BY COUNTRY,
YEAR TO DATE [k sqm]



Growing impact of store extensions



Most new floorspace comes from Poland,
but the growth in Russia is the most dynamic

QUARTERLY LFL
 BY REGION

 SALES BY SQM
 [PLN/MONTH]

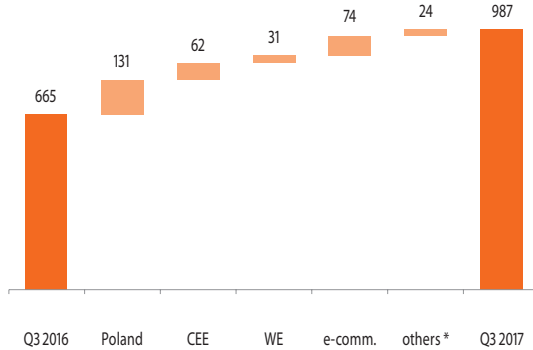
	Q3 2016	Q3 2017	YOY
Poland	547,4	689,3	25,9%
CEE	418,0	505,3	20,9%
WE	367,9	408,9	11,2%
CCC retail	475,9	576,6	21,2%



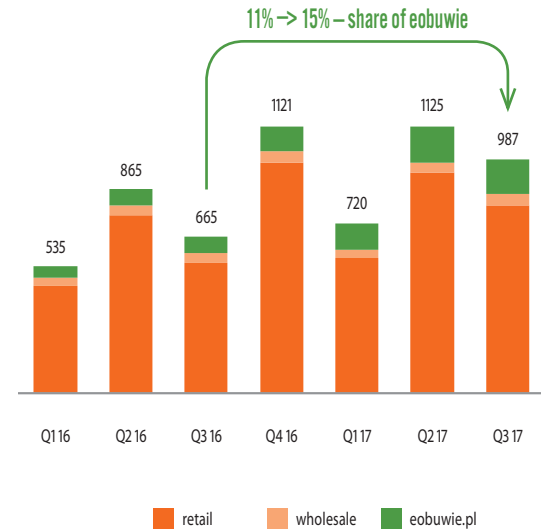
Significant acceleration of LFL dynamics



Noticable growth of sales per square meter
in all the regions

BREAKDOWN OF SALES GROWTH IN Q3
[MLN PLN]


* others + production + wholesale

 HISTORICAL BREAKDOWN OF SALES
BY SEGMENT


retail wholesale eobuwie.pl



Dynamic sales growth in Poland and online

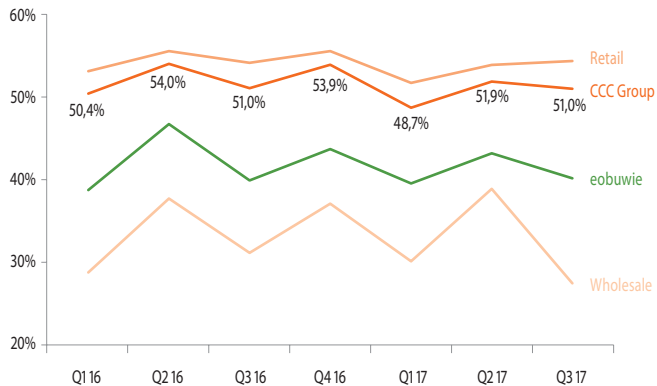


The best third quarter in Group's history

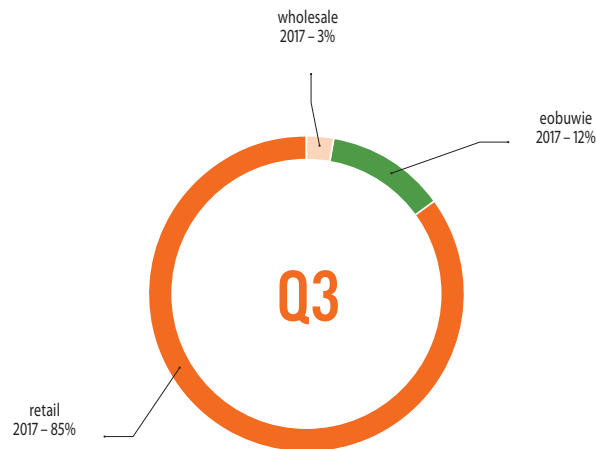


**FINANCIAL
RESULTS**

QUARTERLY GROSS PROFIT ON SALES MARGIN [%]



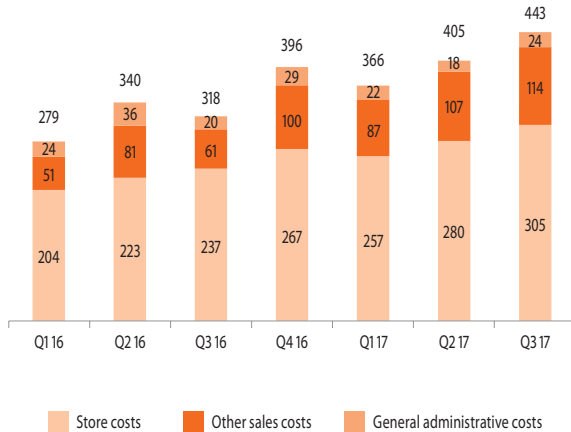
GROSS PROFIT ON SALES MARGIN IN Q3 2017 BY SEGMENT [MLN PLN]



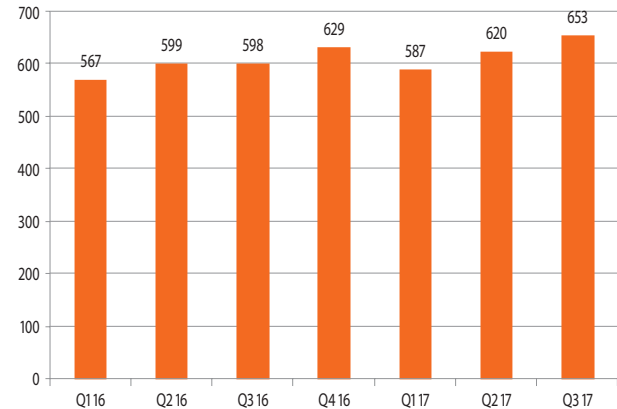
Very stable margin on Group's level



Retail has the biggest impact on Group's results, but the share of online business is growing

QUARTERLY SG&A COSTS
[MLN PLN]


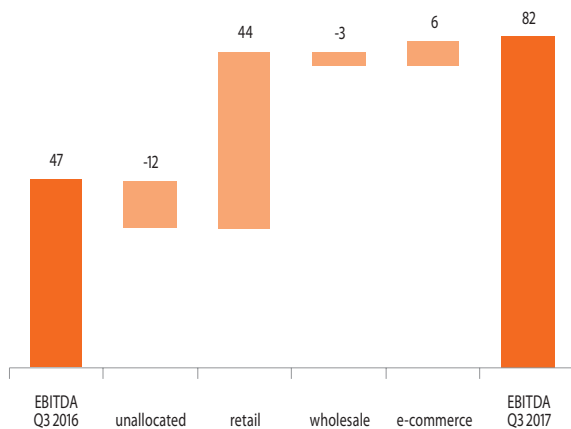
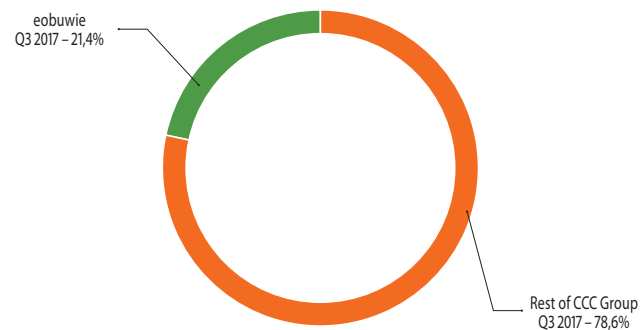
STORE COSTS / SQM



Store costs are the biggest part of SG&A



Growth of store costs per sqm is caused by new remuneration policy for store employees – beginning in Q3 bigger share of costs is variable, depending on sales

GROUP'S QUARTERLY EBITDA – GROWTH BREAKDOWN
 [MLN PLN]

 GROUP'S EBITDA IN Q3 2017
 [MLN PLN]


Traditional retail is the biggest contributor to Group's EBITDA growth



Share of online business in Group's EBITDA is much higher than in Group's sales

mln PLN	Q3 2016	Q3 2017	YOY
Sales	664,7	987,2	48,5%
Gross profit on sales	339,3	503,3	48,3%
Gross profit on sales margin	51,0%	51,0%	—
Sales and administration costs	-318,3	-442,7	39,1%
Other operational costs and revenues	4,2	-8,3	—
EBIT	25,2	52,3	107,5%
EBITDA	46,7	81,6	74,7%
EBITDA margin	7,0%	8,3%	1,3 p.p.
Net financial costs	-15,7	-4,1	-73,9%
Profit before tax	9,5	48,2	407,4%
Income tax	0,7	-7,0	—
Net profit	10,2	41,2	303,9%
Net profit margin	1,5%	4,2%	2,7 p.p.
Minorities	2,0	2,6	



High gross profit on sales margin sustained
(significant growth of margin in offline segment)



EBITDA growing faster than sales



Net profit margin at an extraordinary
high level for discounting season

PROFIT AND LOSS STATEMENT FOR NINE MONTHS OF 2017

mln PLN	9M 2016	9M 2017	YOY
Sales	2 059,2	2 833,5	37,6%
Gross profit on sales	1 073,1	1 441,5	34,3%
<i>Gross profit on sales margin</i>	52,0%	50,9%	-1,1 p.p.
Sales and administration costs	-937,3	-1 220,1	30,2%
Other operational costs and revenues	20,1	-5,3	—
EBIT	155,9	216,1	38,6%
EBITDA	206,6	285,3	38,1%
<i>EBITDA margin</i>	10,0%	10,1%	0,1 p.p.
Net financial costs	-21,3	-38,1	79,3%
Profit before tax	134,6	178,0	32,2%
Income tax	-11,3	-23,7	109,7%
Net profit	123,3	154,3	25,1%
<i>Net profit margin</i>	6,0%	5,4%	-0,6 p.p.
Minorities	5,8	10,6	



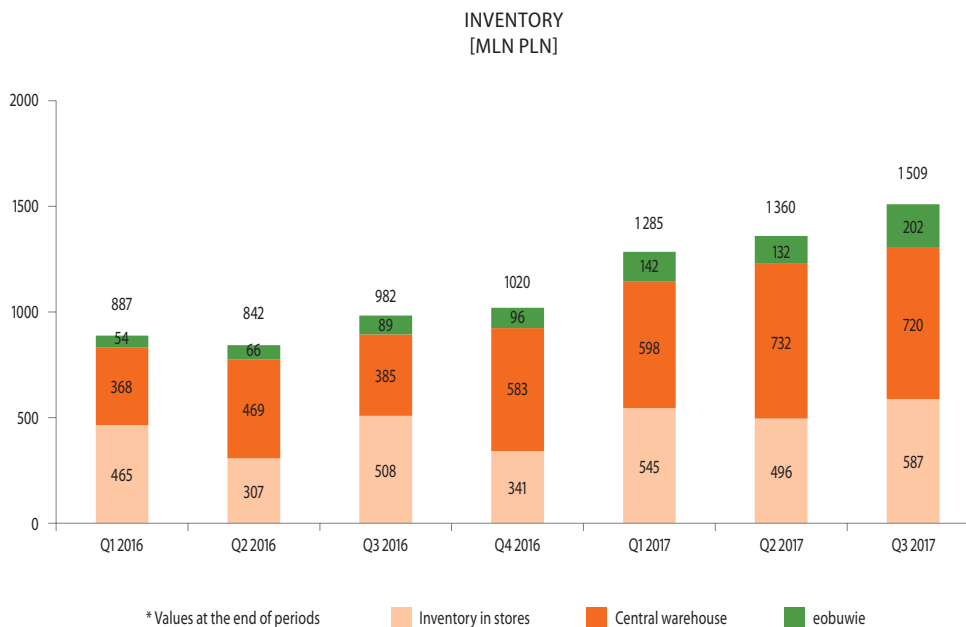
Extraordinary sales dynamics results in significant growth of gross profit on sales



Significant EBITDA growth

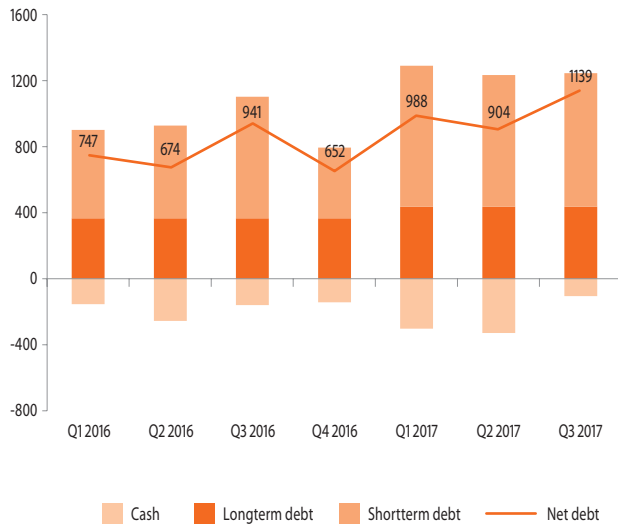


Very high net profit margin despite the growth of taxation rate

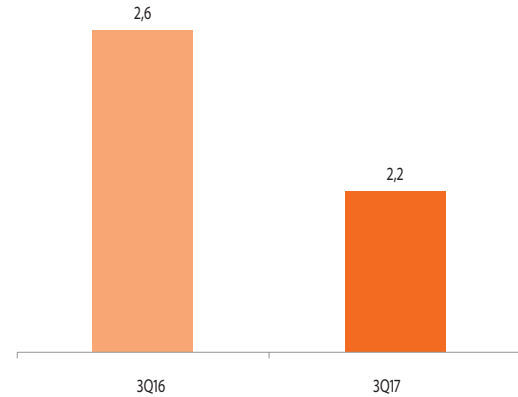


Inventory level grows with floorspace
and sales dynamics

NET DEBT
[MLN PLN]



NET DEBT / EBITDA *



* annualised EBITDA

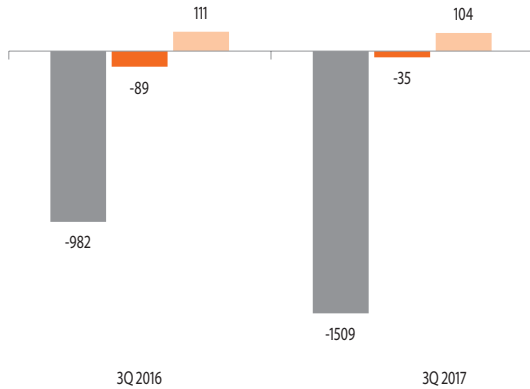


Net debt sustained at a reasonable level while operations grow significantly



Significant reduction of Net debt to EBITDA index despite the introduction of the investment plan

WORKING CAPITAL *
[MLN PLN]



QUARTERLY CASH FLOWS
[MLN PLN]



*At the end of the period Inventory Receivables Payables

Operations CF Investment CF Financial CF



The priority in the third quarter is building up inventory for sales of pivotal autumn-winter collection



Cash flow breakdown typical for the third quarter of the year



PLANS FOR 2017
AND 2018

CONTINUATION OF DYNAMIC FLOORSPACE GROWTH

	31.12.2016		31.12.2017		31.12.2018	
	k sqm	YOY	k sqm	YOY	k sqm	YOY
Poland	212	13,4%	250	17,9%	} + >110.000 m ²	
CEE	124	22,5%	149	20,2%		
WE	82	65,3%	88	7,3%		
Others	40	28,6%	58	45,0%		
CCC Total	458	24,2%	545	19,0%	655	20,2%

NEW
FLOORSPACE
CAPEX:

min. 150 mln PLN in 2017

min. 150 mln PLN in 2018

TARGET:

300 000 sqm

NET NEW FLOORSPACE BETWEEN 2017 AND 2018

DEVELOPMENT OBJECTIVES

- 1B PLN TURNOVER
- AT LEAST THREE NEW MARKETS BEFORE THE END OF 2018
- MARKET LEADER POSITION IN CEE MARKETS
- PARTICIPATION IN BUILDING CCC.EU ONLINE PLATFORM



INVESTMENT ACTIVITIES

- BUILDING A NEW DISTRIBUTION CENTER
- UPGRADING E-COMMERCE PLATFORM
- DEVELOPMENT OF PRIVATE LABELS



1

GROUP'S REVENUES
>5B PLN
(+24% YOY)



2

SHARE OF ONLINE
REVENUES AT 20%



3

SUSTAINING OF GROUP'S
GROSS PROFIT ON
SALES MARGIN
(GROWTH OF
THE OFFLINE MARGIN)



4

EBITDA OVER
650M PLN





Q&A
SESSION



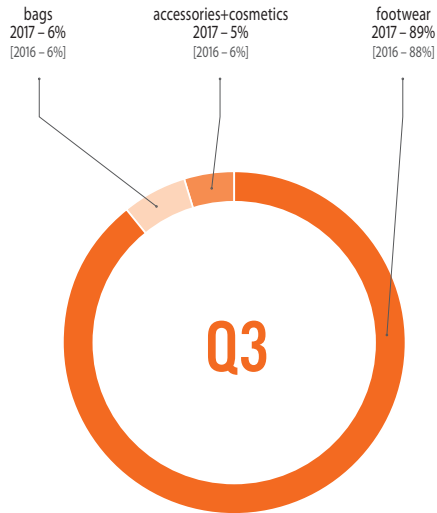
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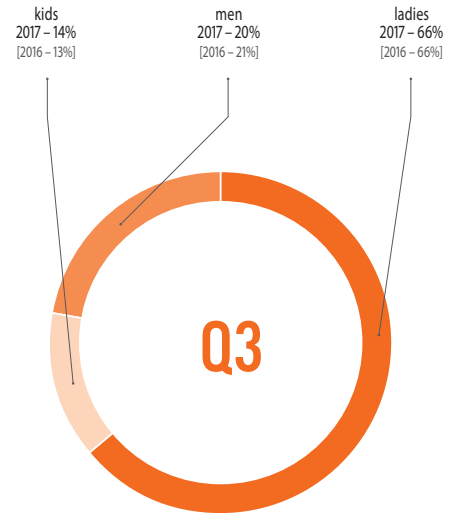
BACK-UP

TYPE	COUNTRY	30.06.2016		30.09.2016		31.12.2016		31.03.2017		30.06.2017		30.09.2017	
		sqm	store count	sqm	store count	sqm	store count	sqm	store count	sqm	store count	sqm	store count
CCC Own	Poland	197 682	422	201 644	424	212 242	436	214 696	433	220 795	439	228 154	441
	Germany	46 792	65	54 640	71	58 127	75	58 127	75	60 671	77	61 114	77
	Czech Rep.	37 100	78	38 241	80	39 415	82	41 065	84	41 946	85	42 152	85
	Hungary	33 949	66	34 633	67	38 040	69	39 134	69	40 607	71	41 709	69
	Austria	16 258	30	19 300	32	23 580	39	25 131	41	26 301	43	26 939	44
	Slovakia	19 530	38	20 815	39	23 104	42	24 180	44	24 180	44	26 139	47
	Croatia	11 268	19	11 842	20	11 842	20	12 342	21	12 342	21	12 915	22
	Russia	—	—	4 655	9	6 339	11	7 580	12	9 314	14	10 153	15
	Slovenia	5 083	9	5 673	10	6 272	11	6 882	12	6 882	12	7 687	13
	Bulgaria	4 412	7	5 012	8	5 665	9	6 562	10	6 562	10	6 562	10
Serbia	—	—	—	—	1 089	2	1 089	2	1 917	3	3 348	5	
TOTAL OWN		372 074	734	396 455	760	425 715	796	436 788	803	451 517	819	466 872	828
CCC franchise	Russia	4 655	9	—	—	—	—	—	—	—	—	—	—
	Romania	20 695	44	20 644	44	24 386	50	24 386	50	26 290	53	25 808	52
	Ukraine	3 055	7	3 527	7	2 709	5	3 827	6	3 827	6	3 827	6
	Latvia	3 232	7	3 281	7	3 281	7	3 809	7	3 809	7	4 408	7
	Lithuania	1 787	3	1 787	3	1 787	3	1 787	3	1 787	3	1 787	3
	Estonia	724	1	724	1	724	1	724	1	724	1	724	1
TOTAL FRANCHISE		34 148	71	29 963	62	32 887	66	34 533	67	36 437	70	36 554	69
CCC TOTAL		406 222	805	426 418	822	458 602	862	471 321	870	487 954	889	503 426	897

SALES STRUCTURE



FOOTWEAR SALES STRUCTURE

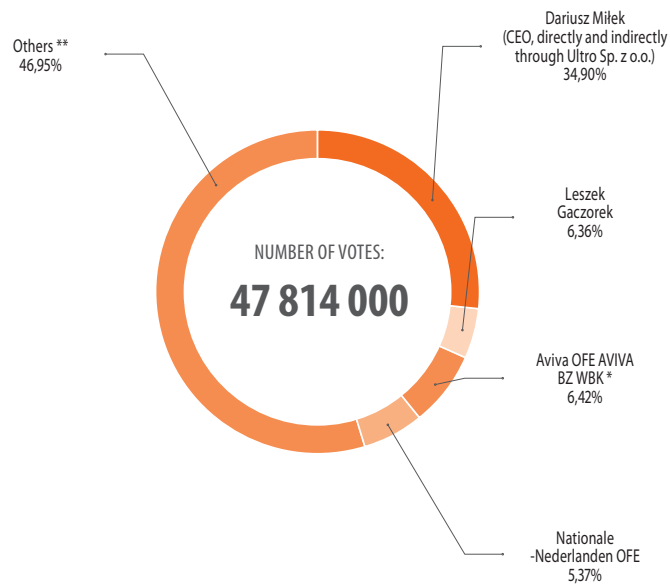
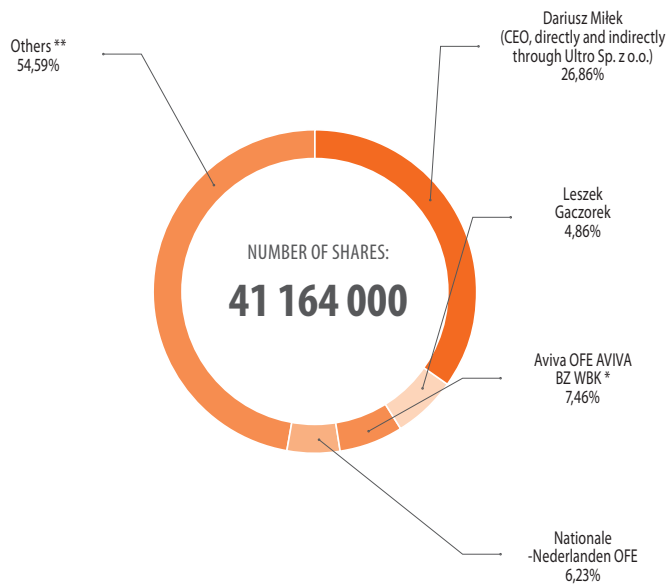


mln PLN	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	YOY
Sales	534,6	864,9	664,7	1121,1	720,4	1125,1	987,2	48,5%
Gross profit on sales	269,4	467,1	339,3	604,3	350,7	583,4	503,3	48,3%
Gross profit on sales margin	50,4%	54,0%	51,0%	53,9%	48,7%	51,9%	51,0%	—
Sales and administration costs	-279,2	-340,1	-318,3	-395,3	-366,3	-405,2	-442,7	39,1%
Other operational costs and revenues	5,0	11,0	4,2	6,0	-0,5	2,5	-8,3	—
EBIT	-4,8	138,0	25,2	215,0	-16,1	180,7	52,3	107,5%
EBIT margin	-0,9%	16,0%	3,8%	19,2%	-2,2%	16,1%	5,3%	1,5 p.p.
Net financial costs	-9,9	4,4	-15,7	-11,3	-18,5	-13,4	-4,1	-73,9%
Profit before tax	-14,7	142,4	9,5	203,7	-34,6	167,3	48,2	407,4%
Income tax	-3,1	-8,4	0,7	-14,6	-3,0	-14,4	-7,0	—
Net profit	-17,8	134,0	10,2	189,1	-37,6	152,9	41,2	303,9%
Net profit margin	-3,3%	15,5%	1,5%	16,9%	-5,2%	13,6%	4,2%	2,7 p.p.
<i>Minorities</i>	1,7	2,4	2,0	2,9	3,0	4,8	2,6	

mln PLN	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017
Intangibles	7,8	181,2	181,2	189,2	193,0
Goodwill	210,5	106,2	106,2	106,2	106,2
Tabgible assets	650,2	679,6	679,2	736,9	753,1
Deferred tax assets	316,2	60,1	313,0	55,3	62,2
Loans granted	15,0	—	—	—	—
Fixed assets	1 199,7	1 027,1	1 279,6	1 087,6	1 114,5
Inventory	982,2	1 019,7	1 285,1	1 359,9	1 509,4
Trade receivables	88,9	89,3	120,4	121,9	35,2
Income tax receivables	17,5	12,1	25,4	27,6	21,5
Loans granted	0,1	11,1	11,1	11,1	11,2
Other receivables	148,3	98,2	117,5	140,7	58,0
Cash	160,2	143,4	302,3	328,6	104,5
Current assets	1 397,2	1 373,8	1 861,8	1 989,8	1 739,8
Total assets	2 596,9	2 400,9	3 141,4	3 077,4	2 854,3

mln PLN	30.09.2016	31.12.2016	31.03.2017	30.06.2017	30.09.2017
Debt	366,0	366,0	436,0	436,0	436,0
Deferred tax debt	1,2	34,1	34,6	33,4	32,3
Provisions	6,8	7,2	7,2	7,3	7,3
Grants received	24,2	23,5	22,9	22,3	21,9
Minority shares redemption obligation	—	229,6	231,4	233,3	235,3
Longterm liabilities	398,2	660,4	732,1	732,3	732,8
Debt	735,1	429,5	854,5	797,3	807,9
Trade payables	111,3	174,3	264,0	291,8	103,6
Other liabilities	99,8	137,6	68,1	254,2	148,5
Income tax liabilities	4,7	16,8	12,2	7,1	22,2
Provisions	10,0	6,8	17,0	8,3	7,4
Grants received	4,8	4,4	5,7	2,7	5,9
Liabilities for the acquisition of own shares	225,9	—	—	—	—
Shortterm liabilities	1 191,6	769,4	1 221,5	1 361,4	1 095,5
Share capital and share premium	122,9	123,1	123,1	125,3	125,4
Exchange rate differences upon conversion of reports of foreign entities	-7,5	1,8	-2,2	0,6	0,8
Retained earnings	876,7	793,8	1 011,3	797,5	836,8
Noncontrolling interests	15,0	52,4	55,6	60,3	63,0
Capitals	1 007,1	971,1	1 187,8	983,7	1 026,0
Total	2 596,9	2 400,9	3 141,4	3 077,4	2 854,3

SHAREHOLDER STRUCTURE



* Data based on yearly asset report by Aviva OFE as of 30.12.2016

** Other investors with less than 5% of votes at the General Shareholders Meeting

TERM	MEANING
CEE	Czech Republic, Slovakia, Hungary, Croatia, Bulgaria, Slovenia
WE	Germany and Austria
Others	Latvia, Lithuania, Estonia, Ukraine, Russia, Serbia
Retail	Own store chain
Wholesale	Franchise store chain and sales to other external companies (small scale)
Production	Revenues, costs and capex connected to production in Polkowice
LFL	Sales in local currencies, in comparable stores, active for more than 12 months
Sales per sqm	Group's retail sales divided by Group's average working floorspace (own stores)
YOY	Change in comparison to like period in preceding year
e-commerce	Sales in online channel
eobuwie	Eobuwie Group, including online and offline sales