

## **Conclusion of a franchise agreement**

**(Current report No. 3/2018)**

17.01.2018 /The Issuer/

Legal basis:

Art. 17 sec. 1 MAR – confidential information

The Management Board of CCC S.A. (hereinafter: the Issuer) hereby informs that on 17<sup>th</sup> January 2018, the Company CCC.eu Sp. z o.o., a subsidiary of the Issuer, concluded with Apparel FZCO (hereinafter: Apparel) based in the United Arab Emirates the franchise agreement providing for cooperation between entities in the sale of CCC footwear and other products of CCC brands in the territory of 6 countries in the Middle East, namely: Saudi Arabia, United Arab Emirates, Kuwait, Oman, Qatar, Bahrain.

The franchise agreement refers to the distribution of products via a network of retail stores under the CCC brand and via online channels dedicated for the Middle East managed by Apparel.

The franchise agreement was concluded for a period of 10 years with the possibility to be extended for another 10 years. Under this agreement, the parties agreed to open in the abovementioned countries until the year 2023 at least 60 stores operating under the CCC brand, with a total area of at least 40,000 m<sup>2</sup>. The expansion of the sales network and the opening of the first stores is planned in the first half of 2019.

The market in the Middle East is the next stage of the strategy of expansion and development of the foreign sales network.

Signatures:

*Karol Półtorak – Vice President of the Management Board*

*Marcin Czyczerski – Vice President of the Management Board*

