

SUMMARY

Increase in sales by 21% with a slightly higher gross margin

- Constantly growing share of e-commerce in the Group (c.a. 25% of revenues)
- Share of e-commerce CCC in revenues in Poland: 3% - new sales channel
- Distinguishing sales dynamics in Russia and Serbia (increase by more than 40% y/y) - markets with high growth potential
- Gross margin higher y/y by 0.4 p.p. - satisfactory in the view of consistently growing share of branded sports footwear, balanced by the development of own brands
- Costs increase to PLN 669 million (PLN 560 million in Q3 2018) due to the development of retail space, e-commerce scale and consolidation of the acquired companies (Gino Rossi, DeeZee)

FIGURES

	Q3 2018	Q3 2019	Δ Q3'18- Q3'19	yoy
PROFIT AND LOSS STATEMENT [M PLN]				
Revenues	1 193,1	1 440,0	246,9	21%
Retail	921,2	1 007,5	86,3	9%
CCC	786,4	851,1	64,7	8%
KVAG	127,8	114,6	-13,2	-10%
Gino Rossi		22,7	22,7	-
eobuwie.pl	7,0	19,1	12,2	174%
e-commerce	249,5	358,3	108,8	44%
eobuwie.pl	243,8	327,0	83,1	34%
KVAG	5,7	5,8	0,1	2%
Gino Rossi		4,4	4,4	
DeeZee		9,2	9,2	
CCC		12,0	12,0	
Wholesale	22,4	74,2	51,8	231%
CCC	22,4	73,1	50,7	226%
Gino Rossi		1,1	1,1	
Gross profit on sales	563,9	687,3	123,4	22%
<i>Gross margin [%]</i>	47,3%	47,7%		0,4 p.p.
SG&A costs	-560,0	-668,6	-108,6	19%
Other operational costs and revenues	26,2	-3,0	-29,2	
Operating profit	30,1	15,7	-14,4	-48%
EBITDA	164,2	201,3	37,1	23%
RATIOS				
LFL Group (retail)	-8%	-2%*		

* Excluding e-commerce of CCC

SALES NETWORK DEVELOPMENT

- CCC retail space growth by 28% y/y mainly due to the development of the chain of own stores (+80k sqm y/y) and franchise chain (+15k sqm y/y)
- Optimization of the sales network in Switzerland - reduction of retail space by 10k sqm y/y, which means 23 closed Voegele stores
- Optimization of the Gino Rossi sales network – 6 stores closed in Q3'19
- Expansion of eobuwie.pl omnichannel stores - 14 stores opened by the end of Q3'19

	Q3 2018	Q3 2019	Δ Q3'18- Q3'19	yoy
Floorspace [k sqm]	625,8	724,8	99	16%
CCC	534,7	629,6	94,9	18%
KVAG	88,1	78,8	-9,3	-11%
Gino Rossi		7,3	7,3	
eobuwie.pl	3	9,1	6,1	201%
Number of stores	1 102	1 219	117	11%
CCC	893	957	64	7%
KVAG	205	182	-23	-11%
Gino Rossi		66	66	
eobuwie.pl	4	14	10	250%