

ANNUAL REPORT
ON THE OPERATIONS OF THE CCC S.A. CAPITAL GROUP
FOR THE PERIOD FROM 1 JANUARY 2013
TO 31 DECEMBER 2013

Table of Contents

1. BACKGROUND INFORMATION.....	4
2. PRIMARY BUSINESS AND FINANCIAL FIGURES DISCLOSED IN THE ANNUAL FINANCIAL STATEMENTS, IN PARTICULAR, A DESCRIPTION OF THE FACTORS AND CIRCUMSTANCES WHICH MATERIALLY AFFECT THE ISSUER'S BUSINESS AND THE PROFITS GENERATED OR LOSSES INCURRED BY THE ISSUER IN THE FINANCIAL YEAR, AS WELL AS GROWTH PROSPECTS FOR THE ISSUER'S BUSINESS, AT LEAST FOR THE NEXT FINANCIAL YEAR	4
3. DESCRIPTION OF MATERIAL RISKS AND THREATS, AND THE EXTENT TO WHICH THE ISSUER IS AFFECTED BY THESE RISKS AND THREATS	7
4. PROCEEDINGS PENDING BEFORE A COURT, AN AUTHORITY COMPETENT TO CONDUCT ARBITRATION PROCEEDINGS OR A PUBLIC ADMINISTRATION BODY	9
5. INFORMATION ABOUT BASIC PRODUCTS, GOODS OR SERVICES, TOGETHER WITH THEIR VALUE AND QUANTITY, AND THE SHARE OF THE PRODUCTS, GOODS OR SERVICES (IF THEY ARE MATERIAL) OR THEIR GROUPS IN THE ISSUER'S TOTAL SALES, AS WELL AS CHANGES IN THIS REGARD IN THE FINANCIAL YEAR	9
6. INFORMATION ABOUT MARKETS, INCLUDING DOMESTIC AND FOREIGN MARKETS, AND INFORMATION ABOUT SOURCES OF MANUFACTURING MATERIALS, SOURCES OF GOODS AND SERVICES, SPECIFYING DEPENDENCE ON ONE OR MORE CUSTOMERS AND SUPPLIERS.....	10
7. CONCLUDED AGREEMENTS WITH MATERIAL EFFECT ON THE ISSUER'S OPERATIONS, INCLUDING AGREEMENTS KNOWN TO THE ISSUER AND CONCLUDED BETWEEN SHAREHOLDERS, INSURANCE AGREEMENTS, AND PARTNERSHIP OR COOPERATION AGREEMENTS	10
8. INFORMATION ABOUT THE ISSUER'S FOREIGN OR CAPITAL LINKS WITH OTHER ENTITIES AND ITS PRIMARY DOMESTIC AND FOREIGN INVESTMENTS (SECURITIES, FINANCIAL INSTRUMENTS, INTANGIBLE ASSETS AND REAL ESTATE), INCLUDING CAPITAL INVESTMENTS MADE OUTSIDE THE AFFILIATE GROUP AND THE FINANCING METHOD	11
9. MATERIAL TRANSACTIONS CONCLUDED BY THE ISSUER OR ITS SUBSIDIARY WITH AFFILIATES ON TERMS OTHER THAN ARM'S LENGTH TERMS, TOGETHER WITH THEIR AMOUNTS AND NOTES ON THE NATURE OF THE TRANSACTIONS.....	11
10. INFORMATION ON LOAN AGREEMENTS INCURRED AND TERMINATED IN THE FINANCIAL YEAR, LISTING AT LEAST THEIR AMOUNT, TYPE AND INTEREST RATE, CURRENCY AND MATURITY DATE....	12
11. LOANS GRANTED IN THE FINANCIAL YEAR IN QUESTION, TAKING INTO ACCOUNT PARTICULARLY THE LOANS GRANTED TO THE ISSUER'S AFFILIATES, LISTING THEIR AMOUNT, TYPE AND INTEREST RATE, CURRENCY AND MATURITY DATE.....	13
12. GUARANTEES AND WARRANTIES OBTAINED AND EXTENDED IN THE FINANCIAL YEAR, IN PARTICULAR WITH RESPECT TO GUARANTEES AND WARRANTIES EXTENDED TO THE ISSUER'S AFFILIATES.....	13
13. EXPLANATION OF THE DIFFERENCES BETWEEN THE FINANCIAL RESULTS DISCLOSED IN THE ANNUAL REPORT AND THE PREVIOUSLY PUBLISHED PERFORMANCE PROJECTIONS FOR THE YEAR.....	14
14. ASSESSMENT AND JUSTIFICATION PERTAINING TO THE MANAGEMENT OF FINANCIAL RESOURCES, WITH PARTICULAR EMPHASIS ON THE ABILITY TO DISCHARGE INCURRED OBLIGATIONS, AND SPECIFICATION OF POTENTIAL THREATS AND MEASURES THAT THE ISSUER PLANS TO TAKE TO COUNTERACT THE THREATS.....	14
15. ASSESSMENT OF THE POTENTIAL TO IMPLEMENT INVESTMENT GOALS, INCLUDING CAPITAL EXPENDITURES, COMPARED TO THE AMOUNT OF FUNDS POSSESSED, TAKING INTO ACCOUNT POTENTIAL CHANGES TO THE STRUCTURE OF FUNDING THIS ACTIVITY.....	14
16. ASSESSMENT OF FACTORS AND NON-TYPICAL OCCURRENCES AFFECTING THE RESULT ON OPERATIONS FOR THE FINANCIAL YEAR IN QUESTION, STATING THE EXTENT TO WHICH THESE FACTORS AND NON-TYPICAL OCCURRENCES AFFECTED THE PERFORMANCE.....	14
17. EXTERNAL AND INTERNAL FACTORS AFFECTING THE GROWTH OF THE ISSUER'S BUSINESS AND GROWTH PROSPECTS FOR THE ISSUER'S BUSINESS AT LEAST UNTIL THE END OF THE FINANCIAL YEAR FOLLOWING THE FINANCIAL YEAR FOR WHICH THE FINANCIAL STATEMENTS CONTAINED IN THIS ANNUAL REPORT WERE PREPARED, TAKING INTO ACCOUNT ELEMENTS OF THE ISSUER'S MARKET STRATEGY.....	14

18. CHANGES TO THE FUNDAMENTAL PRINCIPLES OF MANAGING THE ISSUER'S BUSINESS AND ITS CAPITAL GROUP.....	14
19. ANY AGREEMENTS CONCLUDED BETWEEN THE ISSUER AND MANAGERS, WHICH STIPULATE COMPENSATION IN THE EVENT OF THEIR RESIGNATION OR DEPARTURE FROM THEIR POSITION WITHOUT A VALID REASON, OR IF THEIR RECALL OR DISMISSAL RESULTS FROM A MERGER OF THE ISSUER EFFECTED VIA AN ACQUISITION.....	14
20. VALUE OF REMUNERATION, AWARDS AND BENEFITS, INCLUDING THOSE OFFERED UNDER INCENTIVE OR BONUS SCHEMES, BASED ON THE ISSUER'S CAPITAL, INCLUDING PLANS BASED ON SENIOR BONDS, CONVERTIBLE BONDS, SUBSCRIPTION WARRANTS (IN CASH, IN KIND OR ANY OTHER FORM), PAI OUT, PAYABLE OR POTENTIALLY PAYABLE, INDIVIDUALLY FOR EACH OF THE ISSUER'S MANAGERS OR SUPERVISORS IN THE ISSUER'S BUSINESS.....	15
21. TOTAL NUMBER AND VALUE OF ALL OF THE ISSUER'S SHARES AND SHARES IN THE ISSUER'S AFFILIATES, HELD BY MANAGEMENT AND SUPERVISORY BOARD MEMBERS (FOR EACH INDIVIDUALLY).....	16
22. INFORMATION ON AGREEMENTS KNOWN TO THE ISSUER (INCLUDING AGREEMENTS CONCLUDED AFTER THE BALANCE SHEET DATE) WHICH MAY IN THE FUTURE RESULT IN CHANGES TO THE PROPORTIONAL HOLDINGS OF THE SHARES AMONG EXISTING SHAREHOLDERS AND BONDHOLDERS.....	16
23. INFORMATION ABOUT THE MONITORING SYSTEM FOR EMPLOYEE STOCK OWNERSHIP PLANS.....	16
24. THE ISSUER'S AGREEMENT WITH THE ENTITY AUTHORISED TO AUDIT FINANCIAL STATEMENTS	16
25. INFORMATION ABOUT MAJOR RESEARCH AND DEVELOPMENT ACCOMPLISHMENTS	16
26. INFORMATION ON THE PURCHASE OF OWN SHARES, AND IN PARTICULAR, THE PURPOSE OF THEIR PURCHASE, THEIR NUMBER AND NOMINAL VALUE, AND INDICATION OF THE PERCENTAGE OF THE SHARE CAPITAL THEY REPRESENT, PURCHASE PRICE AND SALE PRICE OF THESE SHARES, IN THE CASE OF THEIR DISPOSAL.....	17
27. INFORMATION ABOUT THE ENTITY'S BRANCHES (PLANTS).....	17
28. INFORMATION ABOUT FINANCIAL INSTRUMENTS	17
29. DESCRIPTION OF THE STRUCTURE OF ASSETS AND LIABILITIES ON THE CONSOLIDATED BALANCE SHEET, ALSO FROM THE POINT OF VIEW OF LIQUIDITY OF THE ISSUER'S CAPITAL GROUP	17
30. MAJOR EVENTS SIGNIFICANTLY AFFECTING THE OPERATIONS AND FINANCIAL PERFORMANCE OF THE CAPITAL GROUP IN THE FINANCIAL YEAR IN QUESTION OR THAT MAY AFFECT THEM IN THE FOLLOWING YEARS.....	17
31. DESCRIPTION OF THE STRUCTURE OF MAJOR CAPITAL INVESTMENTS MADE WITHIN THE ISSUER'S CAPITAL GROUP IN THE FINANCIAL YEAR IN QUESTION	17
32. DESCRIPTION OF THE ORGANISATION OF THE ISSUER'S CAPITAL GROUP, LISTING ENTITIES SUBJECT TO CONSOLIDATION, AND A DESCRIPTION OF CHANGES IN THE ISSUER'S CAPITAL GROUP STRUCTURE AND REASONS THEREFOR.....	17
33. DESCRIPTION OF THE POLICY CONCERNING EXPANSION OF THE ISSUER'S CAPITAL GROUP	18
34. DESCRIPTION OF MATERIAL OFF-BALANCE SHEET ITEMS, IN TERMS OF THEIR SUBJECT, OBJECT AND VALUE.....	19
35. STATEMENT BY THE MANAGEMENT BOARD OF THE DOMINANT ENTITY OF THE CCC S.A. GROUP.....	19
36. STATEMENT BY THE ISSUER'S MANAGEMENT BOARD ON THE APPLICATION OF CORPORATE GOVERNANCE PRINCIPLES IN THE CCC S.A. CAPITAL GROUP IN 2013.....	20

1. Background information

Name of the Issuer:	CCC Spółka Akcyjna
Registered office of the Issuer:	Polkowice
Address:	ul. Strefowa 6, 59-101 Polkowice
Telephone:	+ 48 (76) 845 84 00
Fax:	+ 48 (76) 845 84 31
Email:	ccc@ccc.eu
Website:	www.ccc.eu
Registration:	District Court for Wrocław-Fabryczna in Wrocław, 9th Commercial Division of the National Court Register.
KRS Number:	0000211692
Regon (Statistical Number):	390716905
NIP (Tax Identification Number):	692-22-00-609
Corporate purpose:	The Issuer's primary corporate purpose according to the European Classification of Economic Activities is wholesale and retail trade of clothing and footwear (ECEA 5142).

CCC S.A. has been listed on Giełda Papierów Wartościowych S.A. in Warsaw (Warsaw Stock Exchange) since 2004.

2. Primary business and financial figures disclosed in the annual financial statements, in particular, a description of the factors and circumstances which materially affect the Issuer's business and the profits generated or losses incurred by the Issuer in the financial year, as well as growth prospects for the Issuer's business, at least for the next financial year.

As of 31 December 2013, the CCC S.A. Capital Group's sales network comprised of 712 stores, which is as follows:

Table 1. The area and number of stores of CCC Capital Group SA

		31.12.2012		31.12.2013	
		<i>m²</i>	<i>number</i>	<i>m²</i>	<i>number</i>
OWN STORES	CCC (Poland), including:	132 268	375	141 960	379
	- CCC (agency)	11 546	36	12 102	37
	CCC (The Czech Republic)	20 996	62	26 947	73
	CCC (Slovakia)	5 290	12	10 646	25
	CCC (Hungary)	6 028	15	23 456	50
	CCC (Germany)	-	-	2 272	4
	CCC (Austria)	-	-	2 816	6
	CCC (Turkey)	-	-	1 165	2
	CCC (Croatia)	-	-	1 651	3
	CCC (Slovenia)	-	-	924	2
	BOTI	19 709	146	9 820	72
	LASOCKI/QUAZI	4 609	34	2 504	20
	FRANCHISES	CCC (Franchise PL)	1 586	8	1 586
CCC (Russia)		1 828	5	2 178	6
CCC (Latvia)		1 430	3	2 212	5
CCC (Romania)		2 074	5	7 869	19
CCC (Kazakstan, Ukraine)		685	2	1 587	4
BOTI (Franchise PL)		5 086	42	4 325	34
TOTAL		201 589	709	243 918	712

2. Primary business and financial figures (...) (continued)

CCC Group operates a distribution in its own stores and franchises within 3 sales chains of CCC, BOTI, Lasocki. The space of own sales chain in 2013 amounted to 224,200 sq.m. (+18.7% yoy), including in Poland – 154,300 sq.m.. The retail space in retail franchises in 2013 amounted to 19.800 sq.m. (55.7% yoy), including in Poland – 5,900 sq.m.

The strategy of CCC SA Capital Group provides for a consistent enlargement of sales chains and the opening of new stores, both domestically and abroad, carefully selected in terms of expected profitability and rate of return.

In 2013, CCC Group increased the pace of expansion, strengthening its position of an undisputed leader in Poland and winning foreign markets. As of the balance sheet date, the Group had subsidiaries in the Czech Republic, Slovakia, Hungary, Germany, Austria, Slovenia, Croatia and Turkey, whose primary business is the distribution of goods supplied by CCC SA. In the coming years, the Group will aggressively and dynamically continue to pursue the strategy of international expansion. In addition to the countries of Central Europe, the Group will carry out investments in brand new markets for the Group - in Germany, Austria, Slovenia, Croatia and Turkey.

Key values and business and financial figures are contained in the tables below:

Table 2. Key business and financial figures of CCC Capital Group SA

Figure	2013 (PLN '000)	2012 (PLN '000)	change %
net revenue from sales	1,643,139	1,317,457	24,7%
gross sales profit	836,705	678,398	23,3%
cost of sales and management	652,329	527,746	23,6%
profit loss on operating activity (EBIT)	167,517	141,334	18,5%
gross profits	151,276	126,323	19,8%
net profits	125,217	106,314	17,8%
Figure	31.12.2013 (PLN '000)	31.12.2012 (PLN '000)	change %
shareholders' equity	591,856	528,711	11,9%
liabilities and provisions	527,871	449,403	17,5%
non-current liabilities and non-current provisions, of which:	193,290	124,099	55,8%
<i>long-term bank loans*</i>	158,000	88,000	79,5%
current liabilities and current provisions, of which:	334,581	325,304	2,9%
<i>- short-term bank loans*</i>	169,809	200,648	-15,4%
total assets	1,119,727	978 114	14,5%
non-current assets	430,195	387 368	11,1%
current assets	689,532	590 746	16,7%
inventory	463 008	399 163	16,0%
current receivables	82,788	65 875	25,7%

**detailed information about the loans incurred is set out in Note 15 to the financial statements*

2. Primary business and financial figures (...) (continued)

In 2013, CCC S.A. Capital Group generated a sales revenue of PLN 1,643,139 (+24,7 % year on year). Retail sales revenue amounted to PLN 1,565,855,000, compared to PLN 1,265,852,000 in 2012 (+23,7% yoy). In the same period, the revenue from franchise and other (wholesale) sales amounted to PLN 77,284,000 (+49,8% yoy).

In the discussed period, the cost of sales and management increased by PLN 124,583,000 (+23,6% yoy). The ratio of the cost of sales and management to sales revenue stayed at the same level as of 2012: 0.40. Gross profit margins on sales (50.9%) and the operating profit margin (10.2%) slightly changed as compared to 2012 (respectively 51.5%, 10.7%), mainly due to the results achieved in the first quarter.

The balance sheet of the CCC S.A. Capital Group as on 31 December 2012 shows a total amount of assets and liabilities of PLN 1,119,727,000. The balance sheet sum increased by 141,613,000 compared to its value as on 31 December 2012. The growth on the tangible asset side was primarily caused by the dynamic growth in fixed assets by PLN 98,786,000 (+16,7% yoy) due to expansion of the sales chain.

The value of current asset in the period increased by 103,254,00 PLN (11.7% yoy). Material change it is a increase in inventory by PLN 63,845,000 (+16,0% yoy) which is the consequence of the development of sales chain. Cash and cash equivalents increased to PLN 143,736,000 (PLN 18,028,000 as on 31 December 2012).

On the liabilities side, major changes included an increase in liabilities under long-term loans to PLN 158,000,000 (PLN 88,000,000 as on 31 December 2012), which coincided with a decrease in liabilities under short-term loans to PLN 169,809,000 (PLN 200,648,000 as on 31 December 2012). Trade liabilities and other liabilities increased to PLN 155,364,000 (PLN 116,252,000 as on 31.12.2012).

Table 3. Profitability ratios

Figure	2013 (%)	2012 (%)	change %
gross profit margin on sales	50,92	51,49	-1,1%
operating profitability (EBIT)	10,19	10,73	-5,0%
gross profitability	9,21	9,59	-4,0%
net profitability	7,62	8,07	-5,6%
return on assets (ROA)	11,18	10,87	2,9%
return on equity (ROE)	21,16	20,11	5,2%

Definitions:

- a) **gross profit margin on sales** - ratio of gross margin on sales to sales revenue,
- b) **operating profitability (EBIT)** - ratio of operating profits to sales revenue,
- c) **gross profitability** - ratio of gross profits to sales revenue,
- d) **net profitability** - ratio of net profits to sales revenue,
- e) **return on assets (ROA)** - ratio of net profits to the position of assets,
- f) **return on equity (ROE)** - ratio of net profits to the position of equity.

Table 4. Liquidity ratios

Figure	2013	2012	change %
quick ratio	2,06	1,82	13,2%
quick liquidity ratio	0,68	0,59	15,3%
stock rotation ratio (days)	195	252	-22,6%
receivables rotation ratio (days)	17	20	-15,0%
trade liabilities rotation ratio (days)	35	48	-27,1%

2. Primary business and financial figures (...) (continued)

Definitions:

- a) **quick ratio** - ratio of total current assets to the value of short-term liabilities and short-term provisions.
- b) **quick liquidity ratio** - ratio of total current assets less provisions to the value of short-term liabilities and short-term provisions,
- c) **stock rotation ratio** - ratio of mid-sized stock to the cost of goods and services sold, multiplied by the number of days in the reference period,
- d) **receivables rotation ratio** - ratio of mid-range trade receivables and other receivables to sales revenue, multiplied by the number of days in the reference period,
- e) **liabilities rotation ratio** - ratio of mid-range liabilities to the cost of goods and services sold, multiplied by the number of days in the reference period.

Table 5. Debt and asset financing ratios

Figure	2013 (%)	2012 (%)	change %
share of own funds in the financing of current assets (per cent)	85,83	89,50	-4,1%
ratio of coverage of fixed assets with shareholders' equity	137,58	136,49	0,8%
overall debt ratio	47,14	45,95	2,6%
long-term debt ratio	17,26	12,69	36,0%
short-term debt ratio	29,88	33,26	-10,2%
ratio of liabilities to shareholders' equity	89,19	85,00	4,9%

Definitions:

- a) **share of own funds in the financing of current assets** - ratio of own funds to current assets,
- b) **ratio of coverage of fixed assets with shareholders' equity** - ratio of shareholders' equity to fixed assets,
- c) **overall debt ratio** - ratio of the total value of liabilities and provisions to the value of assets,
- d) **long-term, short-term debt ratio** - ratio of, respectively, non-current liabilities, non-current provisions, current liabilities, and current provisions to the balance sheet sum,
- e) **ratio of liabilities to shareholders' equity** - ratio of total liabilities and provisions as at the end of the reference period to the value of shareholders' equity.

The Management Board of CCC S.A. assesses highly the Company's ability to discharge any obligations incurred thereby.

3. Description of material risks and threats, and the extent to which the Companies of the Capital Group are affected by these risks and threats.

In the opinion of the Management Board, the activity of CCC S.A. Capital Group is affected by the following factors:

1. Internal factors:
 - Strengthening of own sales chain. In the years 2013-2015, the planned increase in the commercial space of the CCC Group S.A. will be at least 200,000 sq. m:
 - 2013 - 42,300 sq.m.
 - 2014 – 75,000 sq.m. (increase over 30%)
 - 2015 – 80,000 – 95,000 sq.m. (estimated increase 25-30%)
 - Efforts to increase brand recognisability and value. Appropriate advertising and promotional tools, store décor and presence in high-profile venues should help consistently enhance and strengthen the image of the brands owned by the CCC S.A. Capital Group.

3. Primary business and financial figures (...) (continued)

1. External factors:

- Currency exchange rates. Due to the fact that CCC S.A. Capital Group generates the majority of its revenue in PLN, EUR, CZK, HUF, HRK and the majority of their costs are incurred in foreign currencies, the exchange rates CZK, HUF, HRK, USD and EUR (practically all imports of the Group are denominated in USD, EUR, and a considerable portion of leases in EUR) will affect the cost structure, and the potential change of supply sources and recording currency exchange differences in the income statement. As the Chinese market is the primary supply market for CCC S.A. Capital Group, the exchange rate of the Chinese currency to world's major currencies is also very important. Its appreciation may affect import terms. Part of the costs caused by currency exchange rates can be transferred to consumers
- Interest rate change. CCC S.A. Capital Group is exposed to the risk of interest rate changes in relation to the loan agreements concluded. The loans are subject to a variable interest rate based on WIBOR. Interest rate increases will affect the value of interest on the loans to be paid by the Company.
- Credit risk. This risk derives from the uncertainty as to whether and when amounts due will be repaid. Wholesale also includes deferred payment sales, which exposes CCC S.A. Capital Group to the risk of financing customers. To remain a leader position on the footwear market, CCC S.A. Capital Group uses the sales credit feature, which enhances the company's appeal to wholesalers.
- Overall economic situation. CCC SA Capital Group is established mainly on the Polish, Czech, Hungarian, Slovak markets, hence purchasing power of consumers and their propensity to consume is important for the Group. The economic downturn could have a negative impact on results of operations and financial condition. CCC Group also operates in several other foreign markets (Germany, Austria, Croatia, Turkey, Slovenia), which partially reduces the risk of significant loss of sources of income in the event of a deterioration of the situation on one of the main markets.
- Seasonal nature of sales and weather conditions. Sales and the value of inventory depends on the seasonal nature of demand (demand peaks in the spring and autumn seasons). A disruption of weather conditions may cause consumers to postpone their shopping decisions or may shorten the peak sales season. Having its own manufacturing capacity strengthens CCC S.A. Capital Group's immunity to seasonal and weather factors. The Group is able to quickly adapt production and supply stores with goods that reflect current expectations and weather conditions.
- Fashion trends and failed collections. CCC S.A. Capital Group is exposed to the risk of launching failed footwear collections. A factor that can mitigate this risk is the Company's many years of market experience, monitoring European and global fashion trends (participating in international footwear fashion fairs, e.g. in Milan, Garda, Dusseldorf).
- Stores locations. Strengthening market standing through dynamic growth of the store chain may be associated with the risk of an unsuccessful store location or a limited number of successful new locations.

The Management Board of the parent company states that in the reporting period, there were no factors or circumstances of non-typical nature that would significantly affect the Group's operations.

4. Proceedings pending before a court, an authority competent to conduct arbitration proceedings or a public administration body.

The Companies of CCC S.A. Capital Group are not a party to any court proceedings in which the value of the subject of dispute would exceed 10 per cent of the Company's own funds.

5. Information about basic products, goods or services, together with their value and quantity, and the share of the products, goods or services (if they are material) or their groups in the Group's total sales, as well as changes in this regard in the financial year.

The business activity of the Companies of CCC S.A. Capital Group covers the following fundamental areas:

- retail and wholesale of footwear through its own and franchise distribution network,
- imports of goods from Asia and Europe,
- retail and wholesale of accessories and small clothing accessories,
- lease of commercial spaces.
- sale of license referring to trademarks of CCC, BOTI, LASOCKI.

The structure of sales of CCC S.A. Capital Group by value and volume is presented in the tables below.

Table 6. Volume and value of footwear sales of CCC S.A.

CATEGORY	2013		2012	
	Volume (in thousands units)	Value (PLN '000)	Volume (in thousands units)	Value (PLN '000)
Women's footwear	12,580	924,042	10,575	753,507
Share %	56,9%	61,8%	55,5%	62,0%
Men's footwear	4,046	346,783	3,371	272,238
Share %	18,3%	15,0%	17,7%	22,4%
Children's footwear	5,475	224,974	5,099	189,494
Share %	24,8%	23,2%	26,8%	15,6%
Total	22,101	1,495,799	19,045	1,215,239
Share %	100,0%	100,0%	100,0%	100,0%

In the sales structure of CCC S.A. Capital Group, the main product sold is women's footwear, which accounts for 61.8 per cent of the value of footwear sales in 2013.

Table 7. The structure of sales of CCC S.A Capital Group

CATEGORY	2013		2012	
	PLN '000	share %	PLN '000	share %
Footwear	1,495,799	91,0	1,215,239	92,2
Other sales	147,340	9,0	102,218	7,8
Total	1,643,139	100,0	1,317,457	100,0

The item "Other sales" includes revenue from selling handbags, components for footwear production, accessories and small clothing accessories, as well as invoiced costs of commercial space lease.

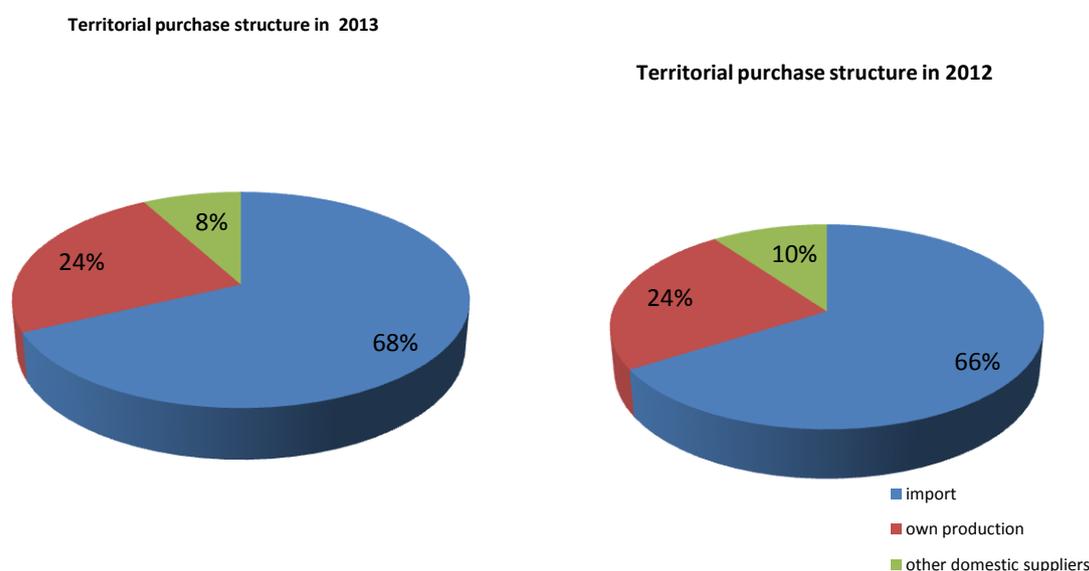
6. Information about markets, including domestic and foreign markets, and information about sources of manufacturing materials, sources of goods and services, specifying dependence on one or more customers and suppliers.

In 2013, the share of retail in total sales amounted to 95,3% (96,1 % in 2012). Developing own retail stores is an important factor in improving business profitability due to the higher retail margin it offers. In the case of franchises, the parent company generates a lower wholesale margin. The sales structure of CCC S.A. Capital Group is presented in table 8.

Table 8. The structure of sales of CCC S.A. Capital Group according to distribution channels

CATEGORY	2013		2012	
	PLN '000	share %	PLN '000	share %
Retail sales	1,565,855	95,3	1,265,853	96,1
Franchise and other sales	77,284	4,7	51,604	3,9
Total	1,643,139	100,0	1,317,457	100,0

Figure 1. Major product supply sources for the CCC S.A. Capital Group (value)



CCC S.A. Capital Group's primary supply sources are Polish vendors, its own factory and import. The supply structure (Poland, import) remains similar. Depending on the economic situation, the Group is able to quickly change its foreign supply sources. The footwear imported from China comes from several dozen manufacturers.

7. Concluded agreements with material effect on the Group's operations, including agreements known to the Issuer and concluded between shareholders, insurance agreements, and partnership or cooperation agreements.

In the reporting period, the Issuer did not conclude any new material agreements, save for the agreements described in Clauses 10 and 12.

8. Information about the Issuer's foreign or capital links with other entities and its primary domestic and foreign investments (securities, financial instruments, intangible assets and real estate), including capital investments made outside the Group of the affiliates and the financing method.

CCC S.A. is the dominant entity in the CCC Capital Group. The organisational structure in the CCC S.A. Capital Group is as follows:

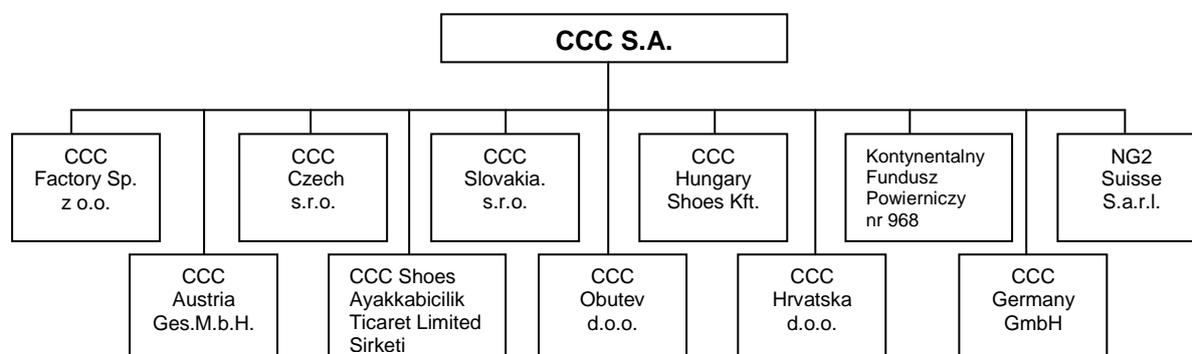


Table 9. Affiliates as of 31 December 2013

The subsidiaries of CCC S.A.	Percentage share in the entity's capital %	Nominal value of shares
CCC Factory Sp. z o.o.	100	15,036,000 PLN
CCC Czech s.r.o.	100	112,600,000 CZK
CCC Slovakia s.r.o.	100	5,000 EUR
CCC Hungary Shoes Kft.	100	10,000,000 HUF
CCC Austria Ges. M. b. H.	100	100,000 EUR
CCC Shoes Ayakkabıcılık Ticaret Limited Sirketi	100	50,000 TRY
CCC Obutev d.o.o.	100	50,000 EUR
CCC Hrvatska d.o.o.	100	380,000 HRK
CCC Germany GmbH	100	100,000 EUR
Continental Trust Fund No. 968	100	10 USD
NG2 Suisse S.a.r.l.	100	20,000 CHF

9. Material transactions concluded by the Issuer or its subsidiary with affiliates on terms other than arm's length terms, together with their amounts and notes on the nature of the transactions.

To the Issuer's knowledge, none of the transactions described above were concluded

10. Information on loan agreements incurred and terminated in the financial year, listing at least their amount, type and interest rate, currency and maturity date.

In the reporting period, CCC S.A. (Borrower) concluded with its subsidiary NG2 Suisse S.a.r.l. (Lender) the following loan agreements:

Table 9. Loan agreements concluded in the reporting period

Date of concluding the agreement	Loan amount	Interest rate* per annum	Maturity date
14.02.2013 r.	9,500,000 PLN	6,0%	31.12.2013 r.

*fixed interest rate throughout the term of the agreement

In the reporting period, CCC S.A. signed agreements and annexes to the following agreements increasing the value of loans:

1/ On 20 February 2013, CCC S.A. signed an annex to the loan agreement of 3 March 2009, concluded with Bank Handlowy S.A. with its registered office in Warsaw. The annex increased the amount of the loan to PLN 56,000,000, interest as per WIBOR + bank margin;

2/ On 27 March 2013, the Company CCC S.A. signed a loan agreement with BRE Bank SA with its registered office in Warsaw. The agreement provides for the revolving loan in the amount of PLN 30,000,000, interest rate as per WIBOR + bank margin;

3 / On 27 March 2013, the Company CCC S.A. signed an annex to the loan agreement dated on 14 November 2012, concluded with mBank S.A., with its registered office in Warsaw. The annex increased the loan amount to 15,000,000 PLN , interest rate as per WIBOR + bank margin;

4 / On 9 October 2013, the Company CCC S.A. signed a multi-purpose credit line with Bank Polska Kasa Opieki S.A., with its registered office in Warsaw. As part of the agreement, the Bank granted the Company a limit in the form of overdraft facility up to a total amount not exceeding PLN 100,000,000, interest rate as per WIBOR + bank margin;

5 / On 25 October 2013, the Company CCC S.A. signed an annex to the agreement of 28 October 2010, signed with the Bank PKO BP S.A., with its registered office in Warsaw. The annex increased the loan amount to PLN 100,000,000, interest rate as per WIBOR + bank margin;

6 / On 30 October 2013, the Company CCC SA signed an annex to the loan agreement dated 3 March 2009 , with Bank Handlowy SA, with its registered office in Warsaw. The annex increased the loan amount to 86,000,000 PLN, interest rate as per WIBOR + bank margin;

7 / On 2 December 2013, the Company CCC SA signed an annex to the loan agreement dated 30 January 2009, concluded with ING Bank Śląski SA, with its registered office in Katowice. The annex increased the loan amount to PLN 100,000,000, interest rate as per WIBOR +bank margin.

Other information in this regard was published in Note 15 to the consolidated financial statements of CCC S.A. Capital Group for the period from 1 January 2013 to 31 December 2013.

11. Loans granted in the financial year in question, taking into account particularly the loans granted to the Issuer's affiliates, listing their amount, type and interest rate, currency and maturity date.

In the reporting period, CCC S.A. (Lender) concluded the following loan agreements:

Table 10. Loan agreements granted in the reporting period

Entity	Date of concluding agreement	Loan amount	Interest rate per annum	Maturity date
CCC Austria Ges.m.bH.	16.12.2013	2,000,000 EUR	1,5%	31.12.2014
CCC Germany GmbH.	09.08.2013 13.12.2013	2,000,000 EUR	1,5%	31.12.2014
CCC Hrvatska d.o.o.	17.06.2013	2,000,000 EUR	1,5%	31.12.2014
CCC Hungary Shoes Kft.	21.05.2013	300,000,000 HUF	7,5%	31.12.2014
CCC Obutev d.o.o.	17.06.2013	5,000,000 EUR	1,5%	31.12.2014
CCC Shoes Ayakkabıcılık Ticaret Limited Sirketi	07.08.2013 19.11.2013	4,000,000 TRY	9,0%	31.12.2014
CUPRUM ARENA MGC INVEST sp. z o.o. s.ka.	23.07.2013	31,000,000 PLN	Wibor 12M+margin	31.12.2013
Professional Cycling Team	01.07.2013	2,200,000 PLN	Wibor 1M+margin	28.02.2014
Miejski Klub Sportowy Polkowice (Sport Club Polkowice)	24.05.2013 29.05.2013	1,670,000 PLN	Wibor 1M+margin	Not specified

12. Guarantees and warranties obtained and extended in the financial year, in particular with respect to guarantees and warranties extended to the Issuer's affiliates.

In the reporting period, the Company CCC SA signed the following agreements and annexes to increase the value of limits in the form of bank guarantees:

1 / On 9 October 2013, the Company CCC SA signed a multi-purpose credit line with Bank Pekao SA, with its registered office in Warsaw. As part of the agreement, the Bank granted the Company a limit in the form of bank guarantees for a total amount not exceeding 5,000,000 PLN, interest rate as per WIBOR + bank margin;

2 / On 25 October 2013, the Company CCC SA signed an annex to the agreement of 28 October 2010, signed with PKO BP SA, with its registered office in Warsaw. The annex has increased the amount of bank guarantee limit to 20,000,000 PLN, interest rate as per WIBOR + bank margin;

3 / On 27 March 2013, the Company CCC SA signed an annex to the agreement dated 14 November 2012, concluded with mBank SA, with its registered office in Warsaw. The annex increased the amount of the limit to 15,000,000 PLN, interest rate as per WIBOR + bank margin;

4 / On 25.04.2013, the Company CCC SA signed an annex to the agreement dated 31 March 2009, with Bank Zachodni WBK SA, with its registered office in Wroclaw. The annex changed the duration of the limit until 30 April 2014 and the date of expiry of the agreement, which expires on 29 April 2015.

Detailed information about the loans and guarantees granted and received is set out in Note 15 to the consolidated financial statements.

- 13. Explanation of the differences between the financial results disclosed in the annual report and the previously published performance projections for the year.**

No projections were published for 2013.

- 14. Assessment and justification pertaining to the management of financial resources, with particular emphasis on the ability to discharge incurred obligations, and specification of potential threats and measures that the Issuer plans to take to counteract the threats.**

The Management Board of CCC S.A. has assessed highly the CCC SA Capital Group's ability to discharge any obligations incurred thereby. In the Management Board's view, the level of cash flow and generated financial performance will allow the Company to maintain its liquidity ratios at a level that will ensure proper functioning of the Companies of the Capital Group. Furthermore, to counteract any potential threats, the Group consistently diversifies its third-party working capital sources.

- 15. Assessment of the potential to implement investment goals, including capital expenditures, compared to the amount of funds possessed, taking into account potential changes to the structure of funding this activity.**

CCC S.A. Capital Group intends to finance its investments using its own funds and foreign capital (increase of the value of foreign debt). In the view of the Management Board of the Issuer, there are currently no major threats that could affect the implementation of investment goals in the future.

- 16. Assessment of factors and non-typical occurrences affecting the result on operations for the financial year in question, stating the extent to which these factors and non-typical occurrences affected the performance.**

In the period covered by this report, there were no non-typical occurrences that would materially affect the result on operations.

- 17. External and internal factors affecting the growth of the Issuer's business and growth prospects for the Issuer's business at least until the end of the financial year following the financial year for which the financial statements contained in this annual report were prepared, taking into account elements of the Issuer's market strategy.**

In the Issuer's view, the major factors that will affect its performance in the near future are:

- volume of sales completed and margins generated,
- continued dynamic expansion of CCC's sales network,
- weather conditions,
- currency exchange rates.

- 18. Changes to the fundamental principles of managing the Issuer's business and its Capital Group.**

In the period covered by this report, no changes were introduced to the fundamental principles of managing the business or the Capital Group.

- 19. Any agreements concluded between the Issuer and managers, which stipulate compensation in the event of their resignation or departure from their position without a valid reason, or if their recall or dismissal results from a merger of the Issuer effected via an acquisition.**

There were no such agreements concluded between the Issuer and managers.

20. Value of remuneration, awards and benefits, including those offered under incentive or bonus schemes, based on the Issuer's capital, including plans based on senior bonds, convertible bonds, subscription warrants (in cash, in kind or any other form), paid out, payable or potentially payable, individually for each of the Issuer's managers or supervisors in the Issuer's business.

Salaries of the Issuer's management or supervisory board members, received for the period from 1 January to 31 December 2013, and for the period from 1 January to 31 December 2012, are presented in the tables below.

Table 11. Remuneration of management board members

Position/title Name and surname	Gross amount (PLN) 2013	Gross amount (PLN) 2012	Number of potentially payable subscription warrants (2013)
The President of the Management Board - Dariusz Milek	690 000	480 000	-
Vice-President of the Management Board – Mariusz Gnych*	510 000	420 000	50 000
Vice-President of the Management Board – Piotr Nowjalis	728 000	525 000	50 000
Total	1 928 000	1 425 000	100 000

Table 12. Remuneration of supervisory board members

Position/title Name and surname	Gross amount (PLN) 2013	Gross amount (PLN) 2012
Chairman of the Supervisory Board- Henryk Chojnacki	24 000	24 000
Member - Wojciech Fenrich	18 000	18 000
Member - Martyna Kupiecka	18 000	18 000
Member - Piotr Nadolski	14 000	18 000
Member - Adam Szczepanik	-	12 661
Member - Paweł Tamborski	-	1 065
Member - Marcin Murawski	18 000	-
Member – Jan Rosochowicz	4 000	-
Total	96 000	91 726

On 26 June 2013, the Annual General Meeting of Shareholders of CCC SA appointed Mr. Jan Rosochowicz as a Supervisory Board Member. Mr. Piotr Nadolski's mandate expired on 26 June 2013.

On 23 January 2012, the Management Board of CCC S.A. was informed by Mr. Paweł Tamborski, Member of the Supervisory Board, about his resignation from membership in the Supervisory Board.

On 6 March 2012, the Extraordinary General Meeting of Shareholders of CCC SA appointed Mr. Adam Szczepanik a Supervisory Board Member.

On 21 November 2012, the Management Board of CCC S.A. was informed by Mr. Adam Szczepanik, Member of the Supervisory Board, about his resignation from membership in the Supervisory Board. On 19 December 2012, the Extraordinary General Meeting of Shareholders of CCC SA appointed Mr. Marcin Murawski as a Supervisory Board Member.

Management and Supervisory Board members do not collect any fee for their positions with the CCC S.A. Group companies, other than the salaries set out in Tables 12 and 13.

21. Total number and value of all of the Issuer's shares and shares in the Issuer's affiliates, held by Management and Supervisory Board members (for each individually).

The Issuer's share capital is composed of 38,400,000 shares:

- 6,650,000 shares carrying voting rights - 2 votes for each share;
- 31,750,000 ordinary bearer shares.

The nominal value of 1 share is PLN 0.1.

As on the date of the 2013 report, the Issuer's Management and Supervisory Board members held the following number of shares in CCC S.A.:

Table 13. Number and nominal value of shares held by Management Board members

Position/Title Name and surname	Shares held as on the report submission date	Nominal value in PLN '000
The President of the Management Board–Dariusz Miłek*	13 360 000	1,336.00
Vice-President of the Management Board–Mariusz Gnych	120 000	12,00

**indirectly as the dominant entity in Luxprofi S.a.r.l.*

22. Information on agreements known to the Issuer (including agreements concluded after the balance sheet date) which may in the future result in changes to the proportional holdings of the shares among existing shareholders and bondholders.

In 2010-2012, an incentive scheme was in place, but its objectives were not met and, therefore, the subscription right was not exercised.

To the Issuer's knowledge, as on the report submission date, in addition to the new Incentive Scheme addressed to current and future Management Board members, current and future members of the management boards of the subsidiaries, and the Company's executives, there are no agreements that could in the future result in changes to the proportional holdings of the shares among existing shareholders.

Detailed information about the incentive scheme is set out in Note 16 to the financial statements.

23. Information about the monitoring system for employee stock ownership plans.

By the decision of the Extraordinary General Meeting of Shareholders of 19 December 2012, the 2013-2015 incentive scheme was launched, and was addressed to current and future Management Board Members, current and future members of the management boards of the subsidiaries and the Company's management. Participants of the Scheme will be able to subscribe to E series shares (new issue shares). This right may be exercised if the total consolidated net profit of the CCC SA Capital Group for the years 2013, 2014 and 2015, calculated with the exclusion of costs incurred in connection with the introduction of the Incentive Scheme, will amount to at least PLN 620,000,000.

Detailed information about the incentive scheme is set out in Note 16 to the financial statements.

24. The Issuer's agreement with the entity authorised to audit financial statements.

Information in this regard was published in Note 28 to the consolidated financial statements of CCC S.A. Capital Group for the period from 1 January 2013 to 31 December 2013.

25. Information about major research and development accomplishments.

Not applicable.

- 26. Information on the purchase of own shares, and in particular, the purpose of their purchase, their number and nominal value, and indication of the percentage of the share capital they represent, purchase price and sale price of these shares, in the case of their disposal.**

In the reporting period, the CCC SA Capital Group did not purchase its own shares.

- 27. Information about the entity's branches (plants).**

The parent company does not have branches (plants).

- 28. Information about financial instruments.**

The company has signed agreements relating to futures and derivatives with Bank Handlowy SA in Warsaw, PKO BP SA, PEKAO SA and mBank.

At the balance sheet date, the parent company did not demonstrate in the accounts open positions on financial instruments. The risks to which the Companies are exposed in connection with the use of other than the above-mentioned financial instruments are described in Note 3 of the CCC SA Capital Group consolidated financial statements for the period 01.01.2013-31.12.2013.

- 29. Description of the structure of assets and liabilities on the consolidated balance sheet, also from the point of view of liquidity of the Issuer's Capital Group.**

The Group describes the structure of the assets and liabilities on its consolidated balance sheet in Clause 2.

- 30. Major events significantly affecting the operations and financial performance of the Capital Group in the financial year in question or that may affect them in the following years.**

In the reporting period in question, no single events occurred that would significantly affect the financial performance of the Capital Group in the current financial year or in the following years.

- 31. Description of the structure of major capital investments made within the Issuer's Capital Group in the financial year in question.**

No major capital investments were made in the financial year in question.

- 32. Description of the policy concerning expansion of the Issuer's Capital Group.**

The CCC Capital Group's strategy envisions continued dynamic growth and increasing the market share through organic growth of the sales chain. The growth will involve consistent expansion of the sales chain and opening new locations, both in Poland and abroad, carefully selected in terms of expected profitability and return.

In 2014, the CCC Group will increase its rate of expansion, strengthening its standing as the clear leader in Poland and gaining market share in foreign markets. In the years 2013-2015, the CCC Group intends to become the leader on the footwear market in Central and Eastern Europe.

33. Description of the organisation of the Issuer's Capital Group, listing entities subject to consolidation, and a description of changes in the Issuer's Capital Group structure and reasons therefor.

CCC S.A. is the dominant entity in the CCC S.A. Capital Group. The subsidiaries of CCC S.A. are set out in table 15.

Table 15. Affiliates as on 31 December 2012

The subsidiaries of CCC S.A.	Registered office/Country	Percentage share in the entity's capital	Consolidation
CCC Factory Sp. z o.o.	Polkowice, Poland	100	full
CCC Czech s.r.o.	Prague, Czech Republic	100	full
CCC Slovakia s.r.o.	Bratislava, Slovakia	100	full
CCC Hungary Shoes Kft.	Budapest, Hungary	100	full
CCC Obuv Sk s.r.o.	Bratislava, Slovakia	100	full
CCC Austria Ges. M.b.H	Graz, Austria	100	full
CCC Shoes Ayakkabıcılık Ticaret Limited Sirketi	Istanbul, Turkey	100	full
CCC Obutev d.o.o	Maribor, Slovenia	100	full
CCC Hrvatska d.o.o	Zagreb, Croatia	100	full
CCC Germany GmbH	Frankfurt am Mein, Germany	100	full
Continental Trust Fund no. 968	USA	100	full
NG2 Suisse S.a.r.l.	Zug, Switzerland	100	full

In the period covered by this report, no changes were introduced to the fundamental principles of managing the business and the Capital Group.

34. Description of material off-balance sheet items, in terms of their subject, object and value.

Table 16. Material off-balance sheet items as of 31.12.2013 and 31.12.2012

OFF-BALANCE SHEET ITEMS FOR THE CCC S.A. CAPITAL GROUP (PLN '000)	As of 31 Dec 2013	As of 31 Dec 2012
I. RECEIVABLES	31,500	33,800
1. Other receivables	31,500	33,800
1.1. From other entities (on account of)	31,500	33,800
- guarantees and warranties received	31,500	33,800
II. LIABILITIES	71,730	65,538
2. Other liabilities	71,730	65,538
2.1. To other entities (on account of)	71,730	65,538
- customs bonds	11,000	8,500
- other forms of security	53,730	50,038
- collaterals extended	7,000	7,000

Customs bonds provide a collateral for the repayment of customs receivables due to the Company's operation of customs warehouses, and their maturity date is 17 June 2014.

Other guarantees secure property leases agreements and their maturity date is 30 September 2016.

The collaterals granted are related to the Paylink overdraft facility opened with Bank Handlowy for franchise customers and the loan security for subsidiaries. Their maturity dates are unspecified.

35. Statement by the Management Board of the dominant entity of the CCC S.A. Group

Pursuant to Article 92.1.5 and 92.1.6 of the Regulation of the Minister of Finance on current and periodical information provided by issuers of securities and the conditions of equivalency of information required by the legislation of non-member states of 19 February 2009, the Management Board of CCC S.A. hereby states that:

- to its best knowledge, the annual financial statements of the CCC SA Capital Group, as well as the comparable data, were prepared in accordance with the applicable accounting standards and reflect truly, accurately and clearly the assets, financial standing and financial performance of the CCC SA Capital Group,
- the annual report on the operations of the CCC SA Capital Group presents a true picture of the growth, accomplishments and situation of the CCC SA Capital Group, including major threats and risk factors,
- the entity authorised to audit financial statements, auditing the annual financial statements of the CCC SA Capital Group, was appointed in accordance with the applicable laws. Furthermore, that entity and auditors auditing the Group's annual financial statements have met the requirements to issue an impartial and independent opinion on the audited annual financial statements, in accordance with the applicable laws and professional standards.

SIGNATURES OF ALL MANAGEMENT BOARD MEMBERS		
Dariusz Miłek	President of the Management Board	
Mariusz Gnych	Vice-President of the Management Board	
Piotr Nowjalis	Vice-President of the Management Board	

Polkowice, 30 April 2014 r.

36. Statement by the Issuer's Management Board on the application of corporate governance principles in CCC S.A. Capital Group in 2013.

Indication of the corporate governance principles applicable to the Issuer and the location of the publicly available set of principles.

the Issuer complies with the principles contained in the document entitled „Dobre Praktyki Spółek Notowanych na GPW” (“Best Practice for WSE-Listed Companies”), contained in the appendix to Resolution 19/1307/2012 of the Supervisory Board of the Stock Exchange of 21 November 2012.

The collection of the principles is available *inter alia* on the WSE's website: http://www.corp.gov.gpw.pl/assets/library/polish/regulacje/dobre_praktyki_16_11_2012_final.pdf

Extent to which the Issuer departed from the provisions of the set of corporate governance principles and reasons for such departure.

In 2013, the Issuer did not apply the rules contained in Section 12 of Chapter I and point 10 of Chapter IV of the "Code of Best Practice for WSE Listed Companies". The Company taking into account the need to carry out a number of technical steps - and associated risk of technical and legal nature which may affect the orderly and uninterrupted agenda of the general meeting of shareholders, and thus on their rights, decided not to broadcast the general meeting in real time, and provide shareholders with the possibility to participate in the general meeting by means of electronic communication. As far as the use of this technology is promoted and provides adequate security for its application, the Management Board of the Issuer has been considering putting it into practice.

Description of the fundamental features of the internal audit and risk management systems used in the CCC SA Capital Group with respect to the process of preparing financial statements and consolidated financial statements.

The Management Board of a particular company is responsible for the effectiveness of the internal control system and risk management in relation to the financial reporting process at each companies of CCC SA Capital Group. In case of consolidated financial statements the indicated role falls to the Management Board of the dominant entity. The Vice-President of the Management Board supervises the process of preparing financial statements. The Chief Accountant of the Company is responsible for managing the process of preparing financial statements, and supervises the proper recording of business operations in the Company's books of account. The document circulation process ensures that any potential risks related to the proper recording of business operations may be mitigated. The Company has a multi-level internal audit system, which, in the Management Board's view, makes it possible to effectively counteract and quickly eliminate potential inaccuracies. Furthermore, annual and semi-annual financial statements are audited by an independent body, i.e. an auditor. The results of each audit are enclosed to the reports published

36. Statement by the Issuer's Management Board on the application of corporate governance principles in the CCC S.A. Capital Group in 2013 (continued)

Shareholders of the dominant entity holding directly or indirectly considerable blocks of shares.

Shareholders holding considerable blocks of shares pursuant to Article 69 of the Act on the Offering (as on the annual report submission date):

Shareholder	Number of shares carrying voting rights (quantity)	Share in the share capital (%)	Number of votes at the General Meeting (quantity)	Share in the overall number of votes at the General Meeting (%)
<i>Luxprofi s.a.r.l.</i> <i>(the entity controlled by Dariusz Miłek)</i>	13 360 000	34,79	18 110 000	40,20
Leszek Gaczorek	3 010 000	7,84	4 760 000	10,57
ING OFE*	2 718 693	7,08	2 718 693	6,03
Aviva OFE*	3 174 451	8,27	3 174 451	7,05

* Data are derived from the annual information about the structure of the Funds ING OFE and Aviva OFE as of 31.12.2013

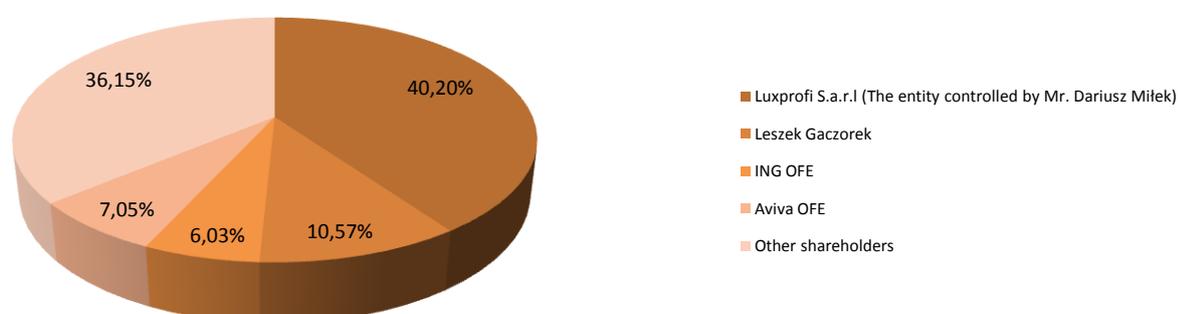
The parent company's shares are divided into the following categories:

- ordinary bearer shares,
- registered shares carrying voting rights, in that each share carries two votes at the General Meeting of the parent company.

A portion of the above mentioned shares vested in Luxprofi s.a.r.l. (a subsidiary of Dariusz Miłek) and Leszek Gaczorek carry voting rights:

Shareholder	Number of shares carrying voting rights (quantity)	Share in the share capital (%)	Number of votes at the General Meeting (quantity)	Share in the overall number of votes at the General Meeting (%)
<i>Luxprofi s.a.r.l.</i> <i>(the entity controlled by Dariusz Miłek)</i>	4 750 000	12,37	9 500 000	21,09
Leszek Gaczorek	1 750 000	4,56	3 500 000	7,77

Share in the overall number of votes at The General Meeting of Shareholders



36. Statement by the Issuer's Management Board on the application of corporate governance principles in the CCC S.A. Capital Group in 2013 (continued)

Holders of any securities that carry special control rights and a description of these rights.

Shareholders holding preferred shares (as on the annual report submission date):

Shareholder	Number of shares held	Share in the share capital (%)	Number of votes at the General Meeting (quantity)	Share in the overall number of votes at the General Meeting (%)
<i>Luxprofi s.a.r.l.</i> <i>(the entity controlled by Dariusz Miłek)</i>	4 750 000	12,37	9 500 000	21,09
Leszek Gaczorek	1 750 000	4,56	3 500 000	7,77
Lech Chudy	50 000	0,13	100 000	0,22
Mariusz Gnych	50 000	0,13	100 000	0,22
Renata Miłek	50 000	0,13	100 000	0,22
Total	6 650 000	17,32	13 300 000	29,52

The above shares carry voting rights and each share carries two voting rights.

Any restrictions with respect to exercising voting rights in the Issuer's company.

There are no restrictions.

Any restrictions with respect to transferring the ownership of the Issuer's securities.

Shareholders of the parent company have the right of first refusal with respect to the purchase of registered preferred shares designated for sale. If this right is not exercised with respect to all or any portion of the shares, the transfer of ownership of these shares requires the approval of the Issuer's Management Board.

Terms and conditions of appointing and recalling Management Board members and their powers, in particular, the right to make decisions on issuing or purchasing shares.

The Issuer's Management Board members are appointed and recalled by the Issuer's Supervisory Board. The powers and rules of operation of the Management Board of CCC S.A. are set out in the following documents:

- 1) the Company's Statute, available on the Company's website
- 2) Management Board By-Laws, available on the Company's website
- 3) Commercial Companies Code.

An issue of new shares may take place after an appropriate resolution is adopted by the General Meeting of the Issuer's Company and results in a share capital increase. The provisions of the Commercial Companies Code and provisions on the public offering and on the conditions of introducing financial instruments to organised trading and on public companies apply to issues of new shares and share purchases.

36. Statement by the Issuer's Management Board on the application of corporate governance principles in the CCC S.A. Capital Group in 2013 (continued)

Terms of amending the statute of the Issuer's company.

The provisions of the Commercial Companies Code apply accordingly to any amendments of the statute. To amend the company's statute, a resolution of the General Meeting of Shareholders must be adopted by a majority of $\frac{3}{4}$ votes and an entry must be made in the National Court Register. The Company's Supervisory Board may, in accordance with the authorisation granted to it by the General Meeting, determine a uniform wording of the amended statute or introduce other editorial changes set out in the resolution of the General Meeting.

The resolution amending the statute becomes effective once it is entered into the National Court Register.

The functioning of Issuer's General Meeting and its fundamental powers, together with a description of the shareholders' rights and their exercise.

The General Meeting in the parent company operates on the basis of the Issuer's Company's Statute and General Meeting By-laws, published by the Company *inter alia* on the website of CCC S.A. and to the extent not governed by the above documents, on the basis of the Commercial Companies Code.

Convening a General Meeting of Shareholders:

- 1) General Meetings of Shareholders may be ordinary or extraordinary.
- 2) General Meetings of Shareholders are held at the Company's offices, in Warsaw or in Wrocław, at a time and location specified in the announcement convening the General Meeting.
- 3) Ordinary General Meetings are held annually, within six months from the lapse of the financial year.
- 4) Information on convening a General Meeting, listing the date and location (day and time) is published by the Management Board in the form of a current report and published on the Company's website.

Powers of the General Meeting of Shareholders:

The powers of the General Meeting, in addition to all matters related to the Company's business activity and matters set out in the applicable laws, with the exception of real property purchase and disposal, perpetual usufruct or share in real properties, include:

- 1) Appointing and recalling Supervisory Board members
- 2) Approving Supervisory Board By-Laws
- 3) Determining the rules of remuneration for the Supervisory Board
- 4) Determining the remuneration for members of the Supervisory Board delegated to perform day-to-day supervision individually.

The powers of the General Meeting are set forth in the following documents:

- 1) the Company's Statute, available on the Company's website
- 2) By-Laws of the General Meeting of CCC S.A., available on the Company's website
- 3) Commercial Companies Code

Taking into account Best Practices for Public Listed Companies.

Holding a General Meeting of Shareholders:

- 1) A General Meeting of Shareholders is opened by the Chairman of the Supervisory Board or a person authorised thereby. The Chairman or its nominee determines that a Chairman of the General Meeting be elected.
- 2) The person opening the General Meeting ensures that the Chairman of the General Meeting is elected immediately. The Chairman manages the work of the General Meeting and ensures that the meeting is expedient and that the rights and interests of all shareholders are respected.
- 3) The General Meeting adopts resolutions only on matters included in the agenda.
- 4) Members of the Supervisory and Management Board of the Company and the auditor should, within the bounds of their powers and to the extent required for the matters being resolved and discussed by the General Meeting, provide participants of the Meeting with information and clarifications regarding the Company.
- 5) The General Meeting is minuted by a notary.

36. Statement by the Issuer's Management Board on the application of corporate governance principles in the CCC S.A. Capital Group in 2013 (continued)

Voting:

- 1) Voting at the General Meeting occurs via open ballot. Secret ballot voting is effected at elections and for votes with respect to recalling members of the Company's governing bodies, with respect to action being brought against them, as well as in personal matters. Moreover, secret ballot votes are effected at the request of at least one shareholder or its representative.
- 2) The General Meeting may appoint a Vote Review Committee, which will be responsible for overseeing each vote, monitoring computer support (if a vote is conducted using electronic solutions) and determining the results of a vote and providing them to the Chairman of the General Meeting.
- 3) One share entitles to one vote at the General Meeting. In the case of preferred A₁ series shares (registered preferred share), one share carries two votes.
- 4) The Chairman of the General Meeting announces the results of the vote, which will then be recorded in the minutes of the meeting.

The composition and changes thereto in the last financial year and a description of the governing, supervisory or managing bodies of the Issuer as well as their committees.

Management Board:

The Management Board of the Company is composed of at least one and no more than seven members appointed and recalled by the Supervisory Board for a four-year term.

As of 31 December 2013, the Management Board of the Company was composed as follows:

Dariusz Miłek	-	President of the Management Board
Mariusz Gnych	-	Vice-President of the Management Board
Piotr Nowjalis	-	Vice-President of the Management Board

The powers and rules of operation of the Management Board of CCC S.A. are set out in the following documents:

- 1) the Company's Statute, available on the Company's website
- 2) Management Board By-Laws, available on the Company's website
- 3) Commercial Companies Code.

Supervisory Board:

The Supervisory Board is composed of at least five and no more than seven members, appointed by the General Meeting for a two-year term. The Supervisory Board meets as necessary, but no less than three times per financial year and its meetings are convened by the Chairman.

As on 31 December 2013, the Supervisory Board of the Company was composed as follows:

Henryk Chojnacki	-	Chairman of the Supervisory Board
Martyna Kupiecka	-	Member of the Supervisory Board
Marcin Murawski	-	Member of the Supervisory Board
Wojciech Fenrich	-	Member of the Supervisory Board
Jan Rosochowicz	-	Member of the Supervisory Board

On 26 June 2013 the General Meeting of Shareholders appointed the Supervisory Board for another term of office (CR 38/2013) in the above-mentioned composition.

The powers and rules of operation of the Supervisory Board of CCC S.A. are set out in the following documents:

- 1) the Company's Statute, available on the Company's website
- 2) Supervisory Board By-Laws, available on the Company's website
- 3) Resolutions of the Company's General Meeting
- 4) Commercial Companies Code and other applicable laws.

The corporate documents of CCC S.A. are available on the Company's website at:

<http://firma.ccc.eu/pl/ladkorporacyjni>

Signatures of All Members of the Management Board		
Dariusz Miłek	President of the Management Board	
Mariusz Gnych	Vice-President of the Management Board	
Piotr Nowjalis	Vice-President of the Management Board	

Polkowice, 30 April 2014 roku