CCC

INTERIM CONDENSED CONSOLIDATED REPORT OF THE CCC GROUP

FOR THE FIRST QUARTER OF 2023

from February 1st
to April 30th 2023

SELECTED FINANCIAL AND OPERATING DATA OF THE CCC GROUP

	PLNm		EURm	
Selected financial data from the consolidated statement of profit or loss and other comprehensive income	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Revenue	**2,064.1**	**1,882.0**	**442.9**	**403.2**
CCC	848.4	819.7	182.0	175.6
eobuwie	701.0	745.1	150.4	159.6
MODIVO	240.9	162.4	51.7	34.8
HalfPrice	251.5	118.5	54.0	25.4
DeeZee	22.3	26.0	4.8	5.6
Not allocated to segments/discontinued operations	–	10.3	–	2.2
Gross profit (loss)	**958.8**	**922.8**	**205.7**	**197.7**
Gross margin	46%	49%	46%	49%
Segment profit or loss:				–
CCC	-41.8	-84.4	-9.0	-18.1
eobuwie	-4.6	47.1	-1.0	10.1
MODIVO	-4.4	-1.7	-0.9	-0.4
HalfPrice	-17.4	-17.5	-3.7	-3.8
DeeZee	1.2	–	0.3	–
Operating profit (loss)	**-67.0**	**-56.5**	**-14.4**	**-12.1**
Profit (loss) before tax	-154.1	-154.5	-33.1	-33.1
NET PROFIT (LOSS) FROM CONTINUING OPERATIONS	**-152.0**	**-160.1**	**-32.6**	**-34.3**
NET PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	**–**	**-45.2**	**–**	**-9.7**
NET PROFIT/(LOSS)	**-152.0**	**-205.3**	**-32.6**	**-44.0**

	PLNm		EURm	
Selected financial data from the consolidated statement of financial position	Apr 30 2023	Jan 31 2023	Apr 30 2023	Jan 31 2023
Non-current assets	**3,609.6**	**3,601.3**	**786.6**	**764.8**
Current assets, including:	**3,735.2**	**3,462.8**	**814.0**	**735.4**
Inventories	2,914.3	2,691.1	635.1	571.5
Cash	394.4	395.4	85.9	84.0
Total assets	**7,344.8**	**7,064.1**	**1,600.6**	**1,500.2**
Non-current liabilities, including:	**2,507.5**	**2,741.4**	**546.4**	**582.2**
Bank borrowings and bonds	1,199.3	1,370.5	261.3	291.0
Lease liabilities	1,203.4	1,266.8	262.2	269.0
Current liabilities, including:	**4,188.5**	**3,740.0**	**912.7**	**794.2**
Bank borrowings and bonds	1,066.1	1,155.7	232.3	245.4
Trade and other payables	1,899.7	1,389.5	414.0	295.1
Total liabilities	**6,696.0**	**6,481.4**	**1,459.2**	**1,376.4**
Equity	**648.8**	**582.7**	**141.4**	**123.7**

	PLNm		EURm	
Selected financial data from the consolidated statement of cash flows	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Net cash flows from operating activities	323.5	-135.1	69.4	-28.9
Net cash flows from investing activities	-99.6	-55.4	-21.4	-11.9
Net cash flows from financing activities	-224.9	-250.9	-48.3	-53.8
Total cash flows	**-1.0**	**-441.4**	**-0.2**	**-94.6**
Capital expenditure	-109.1	-76.5	-23.4	-16.4

Operating data	Apr 30 2023	Jan 31 2023
Number of stores (continuing operations)	992	979
Retail space (thousand m^2) (continuing operations)	750.1	732.1
Number of markets with digital sales	19	19

Selected data from the interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of financial position and interim condensed consolidated statement of cash flows were translated into the euro using the method specified below:

1) Items of assets, equity and liabilities in the interim condensed consolidated statement of financial position were translated at the exchange rate effective on the last day of the reporting period:

   – the exchange rate as at April 30th 2023 was EUR 1 = PLN 4.5889
   – the exchange rate as at January 31st 2023 was EUR 1 = PLN 4.7089

2) particular items of the interim condensed consolidated statement of comprehensive income and the interim condensed consolidated statement of cash flows were translated at exchange rates representing the arithmetic mean of the exchange rates quoted by the National Bank of Poland for the euro in effect on the last day of each month in a given reporting period:

   – in the period February 1st–April 30th 2023, the average exchange rate was EUR 1 = PLN 4.6605
   – in the period February 1st–April 30th 2022, the average exchange rate was EUR 1 = PLN 4.6672

The amounts were translated at the exchange rates specified above by dividing amounts expressed in millions of the zloty by the exchange rate.

Contents

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FIRST QUARTER OF 2023
from February 1st
to April 30th 2023

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
CONTINUING OPERATIONS		
Revenue	2,064.1	1,882.0
Cost of sales	-1,105.3	-959.2
Gross profit	**958.8**	**922.8**
Costs of points of purchase and distribution	-939.4	-854.0
Administrative expenses	-99.9	-93.6
Other income	28.9	8.7
Other expenses	-17.4	-40.0
(Recognition) / Reversal of loss allowances (trade receivables)	2.0	-0.4
Operating profit (loss)	**-67.0**	**-56.5**
Finance income	24.0	0.7
Finance costs	-111.1	-98.7
Profit (loss) before tax	**-154.1**	**-154.5**
Income tax	2.1	-5.6
NET PROFIT (LOSS) FROM CONTINUING OPERATIONS	**-152.0**	**-160.1**
DISCONTINUED OPERATIONS		
NET PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	**–**	**-45.2**
NET PROFIT (LOSS)	**-152.0**	**-205.3**
Attributable to owners of the parent	-140.3	-208.6
Attributable to non-controlling interests	-11.7	3.3
Other comprehensive income from continuing operations	**-2.6**	**1.4**
Items that may be reclassified to profit or loss:		
Translation reserve	-2.6	1.4
Other comprehensive income from discontinued operations	**–**	**4.6**
Items that may be reclassified to profit or loss:		
Reclassification of exchange differences on translation of a foreign operation over which control has been lost to profit or loss	–	4.6
Total other comprehensive income, net	**-2.6**	**6.0**
TOTAL COMPREHENSIVE INCOME	**-154.6**	**-199.3**
Comprehensive income attributable to owners of the parent from:	-142.6	-203.3
- continuing operations	-142.6	-162.7
- discontinued operations	–	-40.6
Non-controlling interests	-12.0	4.0
Weighted average number of ordinary shares (million)	**55.3**	**54.9**
Basic earnings (loss) per share from profit (loss) for period, attributable to owners of the parent (PLN)	**-2.54**	**-3.80**
Basic earnings (loss) per share from profit (loss) from continuing operations for period, attributable to owners of the parent (PLN)	**-2.54**	**-2.98**
Diluted earnings (loss) per share from profit (loss) for period, attributable to owners of the parent (PLN)	**-2.54**	**-3.80**
Diluted earnings (loss) per share from profit (loss) from continuing operations for period, attributable to owners of the parent (PLN)	**-2.54**	**-2.98**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Apr 30 2023	Jan 31 2023
Intangible assets	396.1	376.8
Goodwill	202.8	203.9
Property, plant and equipment – leasehold improvements	664.7	656.7
Property, plant and equipment – distribution	694.2	692.0
Property, plant and equipment – other	90.7	93.2
Right-of-use assets	1,353.1	1,379.9
Deferred tax assets	193.3	184.1
Loans	–	–
Other financial assets	11.2	11.2
Investments in associates	3.5	3.5
Non-current assets	**3,609.6**	**3,601.3**
Inventories	2,914.3	2,691.1
Trade receivables	148.2	143.8
Income tax receivable	62.9	53.5
Other receivables	215.2	178.7
Cash and cash equivalents	394.4	395.4
Lease receivables	0.2	0.3
Current assets	**3,735.2**	**3,462.8**
TOTAL ASSETS	**7,344.8**	**7,064.1**
Bank borrowings and bonds	1,199.3	1,370.5
Deferred tax liabilities	34.0	33.8
Other non-current liabilities	4.7	4.5
Provisions	12.9	13.0
Grants received	15.1	15.2
Lease liabilities	1,203.4	1,266.8
Liabilities arising from obligation to purchase non-controlling interests	31.8	31.1
Other non-current financial liabilities	6.3	6.5
Non-current liabilities	**2,507.5**	**2,741.4**
Bank borrowings and bonds	1,066.1	1,155.7
Trade and other payables	1,899.7	1,389.5
Other liabilities	481.0	470.4
Income tax liabilities	2.7	3.5
Provisions	25.3	14.5
Grants received	0.5	0.5
Lease liabilities	512.5	512.9
Liabilities arising from obligation to purchase non-controlling interests	177.2	173.3
Short-term derivative financial instruments	5.5	3.9
Other current financial liabilities	18.0	15.8
Current liabilities	**4,188.5**	**3,740.0**
TOTAL LIABILITIES	**6,696.0**	**6,481.4**
NET ASSETS	**648.8**	**582.7**

Equity		
Share capital	5.5	5.5
Share premium	1,360.3	1,148.0
Translation reserve	19.9	22.1
Actuarial valuation of employee benefits	0.4	0.4
Retained earnings	-900.0	-759.7
Equity attributable to owners of the parent	**486.1**	**416.3**
Non-controlling interests	162.7	166.4
TOTAL EQUITY	**648.8**	**582.7**
TOTAL EQUITY AND LIABILITIES	**7,344.8**	**7,064.1**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Profit (loss) before tax	**-154.1**	**-195.8**
Profit (loss) before tax from continuing operations	**-154.1**	**-154.5**
Profit (loss) before tax from discontinued operations	**–**	**-41.3**
Depreciation/amortisation	155.5	148.0
Impairment losses on property, plant and equipment, right-of-use assets, intangible assets and remeasurement to fair value of disposal group	14.3	38.6
(Gain) loss on investing activities	–	2.8
Borrowing costs	96.5	49.2
Other adjustments to profit before tax	-42.0	69.1
Income tax paid	-17.1	-20.7
Cash flow before changes in working capital	**53.1**	**91.2**
Changes in working capital		
Change in inventories and inventory write-downs	-223.2	-151.4
Change in receivables and impairment losses on receivables	-31.2	-117.9
Change in current liabilities, net of borrowings and bonds	524.8	43.0
Net cash flows from operating activities	**323.5**	**-135.1**
Proceeds from sale of property, plant and equipment	0.6	0.3
Proceeds from settlement of leasehold improvements with landlords	8.9	20.8
Purchase of intangible assets and property, plant and equipment	-109.1	-76.5
Net cash flows from investing activities	**-99.6**	**-55.4**
Proceeds from borrowings	23.5	–
Repayment of borrowings	-317.0	-66.3
Lease payments	-99.3	-155.5
Interest paid	-44.4	-29.1
Net proceeds from share issue	212.3	–
Net cash flows from financing activities	**-224.9**	**-250.9**
TOTAL CASH FLOWS	**-1.0**	**-441.4**
Net increase/decrease in cash and cash equivalents	-1.0	-441.4
Change due to allocation of cash to discontinued operations	–	-5.9
Cash and cash equivalents at beginning of period	**395.4**	**941.1**
Cash and cash equivalents at end of period	**394.4**	**493.8**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TRANSLATION RESERVE	ACTUARIAL VALUATION OF EMPLOYEE BENEFITS	VALUATION OF INCENTIVE SCHEME	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	ATTRIBUTABLE TO OWNERS OF THE PARENT							
As at Feb 1 2023	**5.5**	**1,148.0**	**-759.7**	**22.1**	**0.4**	**–**	**166.4**	**582.7**
Net profit (loss) for period	–	–	**-140.3**	–	–	–	–	-140.3
Net profit (loss) allocated to non-controlling interests	–	–	–	–	–	–	-11.7	-11.7
Exchange differences on translation	–	–	–	-2.3	–	–	-0.3	-2.6
Total comprehensive income	**–**	**–**	**-140.3**	**-2.3**	**–**	**–**	**-12.0**	**-154.6**
Measurement of employee option plan	–	–	–	–	–	–	4.2	4.2
Other changes	–	–	–	0.1	–	–	–	0.1
Share issue	–	212.3	–	–	–	–	–	212.3
Purchase of shares	–	–	–	–	–	–	4.1	4.1
Total transactions with owners	**–**	**212.3**	**–**	**0.1**	**–**	**–**	**8.3**	**220.7**
As at Apr 30 2023	**5.5**	**1,360.3**	**-900.0**	**19.9**	**0.4**	**–**	**162.7**	**648.8**

	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TRANSLATION RESERVE	ACTUARIAL VALUATION OF EMPLOYEE BENEFITS	VALUATION OF INCENTIVE SCHEME	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	ATTRIBUTABLE TO OWNERS OF THE PARENT							
As at Feb 1 2022	**5.5**	**1,148.0**	**-186.3**	**16.9**	**0.5**	**0.6**	**166.4**	**1,151.6**
Net profit (loss) for period	–	–	-208.6	–	–	–	–	-208.6
Profit (loss) attributable to non-controlling interests	–	–	–	–	–	–	3.3	3.3
Other changes	–	–	-1.2	0.1	-0.5	1.6	–	–
Exchange differences on translation	–	–	–	1.4	–	–	–	1.4
Reclassification of exchange differences on translation of a foreign operation over which control has been lost to profit or loss	–	–	–	4.6	–	–	–	4.6
Total comprehensive income	**–**	**–**	**-209.8**	**6.1**	**-0.5**	**1.6**	**3.3**	**-199.3**
Measurement of employee option plan	–	–	–	–	–	3.7	0.7	4.4
Total transactions with owners	**–**	**–**	**–**	**–**	**–**	**3.7**	**0.7**	**4.4**
As at Apr 30 2022	**5.5**	**1,148.0**	**-396.1**	**23.0**	**–**	**5.9**	**170.4**	**956.7**

1. GENERAL INFORMATION

Company name:	**CCC Spółka Akcyjna**
Registered office:	**ul. Strefowa 6, 59-101 Polkowice, Poland**
Registry court:	**District Court for Wrocław-Fabryczna in Wrocław, 9th Commercial Division of the National Court Register**
Entry in the National Court Register (KRS) No:	**0000211692**
Principal business:	**The Company's principal business activity according to the European Classification of Business Activities is wholesale and retail trade in clothing and footwear (EKD 5142).**
Management Board:	**President: Dariusz Miłek** **Vice President: Karol Półtorak** **Vice President: Igor Matus**

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CCC S.A. (the "Company", the "parent"), the parent of the CCC Group, has been listed on the Warsaw Stock Exchange since 2004.

As at April 30th 2023, the CCC Group (the "CCC Group", the "Group") comprised the parent CCC S.A. of Poland, registered at ul. Strefowa 6 in Polkowice, and its subsidiaries.

On May 11th 2023, Marcin Czyczerski resigned as President of the Company's Management Board, with effect from May 11th 2023.

On May 11th 2023, Dariusz Miłek resigned as Chairman and member of the Company's Supervisory Board, with effect from May 11th 2023, and was appointed by the Company's Supervisory Board as President of the Company's Management Board.

On June 6th 2023, Adam Holewa resigned as Vice President and member of the Company's Management Board, with effect from June 12th 2023.

These interim condensed consolidated financial statements of CCC cover the three months ended April 30th 2023 and contain comparative data for the three months ended April 30th 2022 and as at January 31st 2023. The interim condensed consolidated statement of comprehensive income and notes to the statement of comprehensive income contain data for the three months ended April 30th 2023 and comparative data for the three months ended April 30th 2022, which has not been audited or reviewed by an auditor.

These interim condensed consolidated financial statements of the CCC Group for the three months ended April 30th 2023 were authorised for issue by the Management Board on June 14th 2023.

STRUCTURE OF THE CCC GROUP

The CCC Group consists of CCC S.A. (the parent) and its subsidiaries. In the three months ended April 30th 2023, there were changes in the composition of the CCC Group relative to January 31st 2023, as discussed in more detail below. The structure of the CCC Group as at the reporting date is presented below.

SUBSIDIARIES	REGISTERED OFFICE/COUNTRY	PRINCIPAL BUSINESS	EQUITY INTEREST AS AT APR 30 2023	EQUITY INTEREST AS AT JAN 31 2023
CCC Factory Sp. z o.o.	Polkowice, Poland	logistics	100%	100%
CCC Czech s.r.o.	Prague, Czech Republic	trade	100%	100%
CCC Slovakia s.r.o.	Bratislava, Slovakia	trade	100%	100%
CCC Hungary Shoes Kft.	Budapest, Hungary	trade	100%	100%
CCC Austria Ges.m.b.H [1]	Graz, Austria	trade	100%	100%
CCC Obutev d.o.o.	Maribor, Slovenia	trade	100%	100%
CCC Hrvatska d.o.o.	Zagreb, Croatia	trade	100%	100%
C-AirOP Ltd. [2]	Douglas, Isle of Man	services	50%	50%
CCC.eu Sp. z o.o. [3]	Polkowice, Poland	procurement and sale	100%	100%
CCC Shoes & Bags Sp. z o.o.	Polkowice, Poland	investments	100%	100%
CCC Shoes Bulgaria EOOD	Sofia, Bulgaria	trade	100%	100%
Modivo S.A. [4]	Zielona Góra, Poland	trade	75%	75%
Modivo S.R.L.	Alme, Italy	services	75%	75%
eobuwie.pl Logistics Sp. z o.o.	Zielona Góra, Poland	logistics	75%	75%
eschuhe.de GmbH	Frankfurt am Oder, Germany	trade	75%	75%
Branded Shoes and Bags sp. z o.o.	Zielona Góra, Poland	services	75%	75%
eschuhe.CH GmbH	Zug, Switzerland	trade	75%	75%
Modivo.cz s.r.o. (formerly eobuv.cz s.r.o.)	Prague, Czech Republic	trade	75%	75%
epantofi modivo s.r.l.	Bucharest, Romania	logistics	75%	75%
Modivo.lv SIA	Riga, Latvia	logistics	75%	75%
Modivo.sk s.r.o.	Bratislava, Slovakia	trade	75%	75%
CCC Shoes & Bags d.o.o. Beograde	Belgrade, Serbia	trade	100%	100%
Shoe Express S.A. [5]	Bucharest, Romania	trade	100%	100%
DeeZee Sp. z o.o. [6]	Kraków, Poland	trade	75%	75%
HalfPrice Sp. z o.o.	Polkowice, Poland	trade	100%	100%
OFP Austria GmbH [7]	Graz, Austria	trade	100%	100%
OU CCC Estonia	Tallinn, Estonia	trade	100%	100%
UAB CCC Lithuania	Vilnius, Lithuania	trade	100%	100%
SIA CCC Shoes Latvia	Riga, Latvia	trade	100%	100%
CCC Ukraina Sp. z o.o. [8]	Lviv, Ukraine	trade	75%	0%

ASSOCIATES	REGISTERED OFFICE/COUNTRY	PRINCIPAL BUSINESS	EQUITY INTEREST AS AT APR 30 2023	EQUITY INTEREST AS AT JAN 31 2023
HR Group Holding s.a.r.l. [9]	Luxembourg	trade	31%	31%
Pronos Sp. z o.o. [10]	Wrocław, Poland	services	25%	25%

[1] As at the reporting date, CCC Austria Ges.m.b.H was in liquidation.
[2] C-AirOp Ltd. is a subsidiary of CCC S.A. (50%). Having analysed the functions performed by the company's shareholders, the Management Board is of the opinion that the Group continues to control the operations and management of the company.
[3] CCC.eu sp. z o.o. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (99.75%) and CCC S.A. (0.25%).

[4] Modivo S.A. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (74.69%).
[5] Shoe Express S.A. shares are held by: CCC Shoes & Bags Sp. z o.o. (95%) and CCC.eu Sp. z o.o. (5%).
[6] DeeZee Sp. z o.o. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (75%).
[7] OFP Austria GmbH is a subsidiary of HalfPrice Sp. z o.o. (100%).
[8] On February 8th 2023, following fulfilment of the conditions precedent under a preliminary share purchase agreement, the Group acquired control of CCC Ukraina Sp. z o.o. of Lviv. Following the transaction, CCC S.A. acquired 75.1% of shares in CCC Ukraina for a price of PLN 23.8m, offset against claims between a CCC Group entity and the existing shareholder of CCC Ukraina. For details of the acquisition, see Note 6.
[9] On April 12th 2023, the Management Board of HR Group filed for bankruptcy with the District Court of Osnabrück.
[10] Pronos Sp. z o.o. shares are held by CCC Shoes & Bags Sp. z o.o. (24.9%).

BASIS OF ACCOUNTING

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, as endorsed by the European Union ("IAS 34").
Interim condensed consolidated financial statements do not include all the information and disclosures required in full-year financial statements and should be read in conjunction with the consolidated financial statements of the CCC Group for the year ended January 31st 2023, which were authorised for issue on April 16th 2023.
The financial statements have been prepared on a historical cost basis except for investment property and derivative financial instruments, which are measured at fair value.
The data contained in these interim condensed consolidated financial statements is presented in millions of Polish złoty, unless more accurate information is provided in specific cases. The functional and reporting currency of the Parent is the Polish złoty (PLN). The functional currency of each subsidiary is determined separately, and used to measure that subsidiary's assets and liabilities.

BASIS OF CONSOLIDATION

These interim condensed consolidated financial statements contain the financial statements of CCC S.A. and its subsidiaries. The subsidiaries are consolidated from the date the CCC Group acquires control until the date the Group ceases to control a given subsidiary. In the reporting period the Group controlled all of its subsidiaries. All transactions, balances, income and expenses between the consolidated related entities are eliminated on consolidation.

GOING CONCERN

These financial statements have been prepared on the assumption that the CCC Group will continue as a going concern for the foreseeable future, that is for at least 12 months from the reporting date.
Below in this note are presented important issues, including uncertainties concerning circumstances that may pose risks to the Group continuing as a going concern. These circumstances relate particularly to the burdens of the existing credit facility agreements and debt instruments of the CCC Business Unit (the CCC Group excluding the Modivo Group i.e. the Modivo S.A. Business Unit, in accordance with the terms of the New Financing Agreement (the Credit Facility Agreement of June 2nd 2021)). To address these burdens, in 2023 the CCC Group is implementing a plan to reduce and substantially or fully refinance the CCC Business Unit's debt.

As at April 30th 2023, the CCC Group's current liabilities exceeded its current assets by PLN 453.3m, but this is not affecting the Group's ability to settle its liabilities as they fall due, as discussed in more detail below. As presented in Notes 5.1 and 5.2 to these financial statements, the CCC Group's operations are financed through financial instruments, including mainly credit facilities and bonds. The debt outstanding under those instruments as at the reporting date was approximately PLN 2,265.4m. The CCC Group companies also use reverse factoring in settlements with suppliers, with the debt outstanding as at the reporting date of PLN 513.6m.

In 2021, following discussions with institutions financing the operations of the CCC Business Unit, long-term financing was provided under the New Financing Agreement (the Credit Facility Agreement of June 2nd 2021), with the original repayment date of Facility B falling on June 30th 2024. The New Financing Agreement permits the original repayment date to be extended by one year, that is until June 30th 2025, subject to the lenders' consent.

In the previous financial year, further amendments were made to the financing agreements of the Group, concerning both the CCC Business Unit and the Modivo Business Unit, as described in more detail in the consolidated financial statements of the CCC Group for 2022. The existing credit facility agreements provide a stable source of finance for the Group.
The financing agreements of the Group, including the CCC Business Unit and the Modivo Business Unit, are described in more detail in the 'Management of financial resources and liquidity' section of the Directors' Report on the operations of the CCC Group for 2022.

The execution of annexes to the New Financing Agreement and the Common Terms Agreement, as well as the extension of bilateral financing with guarantees provided under Bank Gospodarstwa Krajowego's Emergency Guarantee Fund and additional financing documents between CCC S.A., its subsidiaries and financial institutions, were part of the CCC Business Unit's financing renewal efforts aimed at ensuring a stable long-term financing level. As part of its financing renewal efforts, the CCC Business Unit also committed to reduce its debt by PLN 320.0m by the end of 2023. As part of the agreed additional repayments, the CCC Business Unit reduced its financing limits by PLN 50.0m, as announced in Current Report No. 39/2022 of December 21st 2022, which was followed by another reduction of PLN 50.0m, as announced in Current Report No. 32/2023 of May 31st 2023.

In response to certain major developments in its external environment occurring in 2020 and 2021, the Management Board resolved to update the Group's corporate strategy, which was adopted and published in November 2021. The GO.25 Everything Fashion Omnichannel Strategy and its key objectives to be delivered by 2025 are discussed at length in the annual Directors' Report on the Group's operations in 2021 in the section 'CCC Group's strategy. Execution and growth plans.'

An element of the strategy for 2023 is an Annual Budget approved by the Supervisory Board. It was prepared taking into account certain macroeconomic estimates, including the inflation rate of 9.2% based on the available market analyses and close to the state budget assumption for 2023. The key foreign exchange rates included in the budget were the EUR/PLN and USD/PLN exchange rates, assumed at 4.7 and 4.5, respectively. The average level of the key reference rate (1M WIBOR), determining the CCC Group's borrowing cost, was estimated based on internal analyses at 6.34%. For the time horizon extending beyond 2023, the Group relies on a long-term financial model.

Implementation and delivery of all the proposed measures, objectives, plans and financial projections are subject to numerous future risks and uncertainties, particularly with regard to the implementation of the Group's Annual Financial Plan for 2023 and plans for future years, which include:

- Further developments in Ukraine and Russia, which could have a significant, yet still difficult to predict, impact on many aspects of the business and its external environment described below;
- Macroeconomic risks, including general price growth in the economy affecting the prices of merchandise, services, salaries and wages, capital expenditure amounts, as well as a rise in operating expenses, especially in transport and logistics;
- Decline in consumer demand for products offered by the Group as a result of changing macroeconomic conditions (rising inflation, interest rates affecting borrowing costs and unemployment levels, falling real wages, etc.), as well as the Group's potential decisions to raise the prices of merchandise;
- Exchange rate movements affecting the performance of foreign operations and the cost of goods purchase, as well as rental costs;
- Fiercer competition in the market environment, especially in terms of product prices having an effect on the results generated in the course of day-to-day operations;
- Occurrence of unplanned and/or unforeseen changes in fashion trends and weather conditions;
- Changes in consumer behaviour due to the migration processes or postponement of purchasing decisions;
- Materialisation of operational risks, which may disrupt business continuity;
- Volatility on the financial markets, which may prevent the initial public offering of Modivo S.A. shares to be carried out as planned.

The risks and extraordinary circumstances identified above are a source of significant uncertainty regarding the delivery of the financial plans in the 12 months from the reporting date, including compliance with the financial covenants under the agreements financing the Group's operations, and thus also the Group's ability to continue as a going concern.

Under the financing agreements concluded by the Group, the Group is required to comply with certain financial covenants, separately for the CCC Business Unit and for the Modivo Business Unit, which were complied with in the financial year ended January 31st 2023 and as at that date and also as at April 30th 2023. Based on the Annual Budget for 2023 prepared by the Management Board and plans for subsequent reporting periods, to the best of its knowledge and belief, and also subject to the possible implementation of measures described below, the Group is in compliance with the covenants set out in the agreements (including for the CCC Business Unit: the reported EBITDA for individual interim periods and for the full year and net exposure/EBITDA, DSCR or DSCR with cash ratios and capital expenditure; and for the Modivo Business Unit: year-end net debt/EBITDA and net debt at July 31st 2023) and is duly performing its obligations. For more details concerning the covenants, see 'Covenants/financial ratios' in the 'Management of financial resources and liquidity' section of the Directors' Report.

The key element of the analysis of compliance with the financial covenants, including financial ratios, were parameters that could cause underperformance relative to the objectives set out in the Annual Budget for 2023 and subsequent reporting periods, and failure to achieve the financial ratios that the Group, including separately for the CCC Business Unit and for the Modivo Business Unit, is required to comply with under its financing agreements. For that purpose, the Management Board has prepared a detailed analysis of the Annual Budget's sensitivity over the next 12 months, as well as scenarios of alternative measures, calculated the expected values of the financial ratios and compared them with the expectations of the banks and other institutions financing the Group's operations, taking into account the risks, events and actions described below.

With respect to the CCC Business Unit, the Management Board's detailed analysis of the Annual Budget's sensitivity over the next 12 months indicated that if any the following key parameters changes over the year relative to the assumptions made in the Annual Budget as follows (ceteris paribus):

- average annual inflation increases by 5pp;
- average annual PLN exchange rate weakens by PLN 0.20 relative to the main currencies (EUR and USD);
- margin falls by 4.0pp (on a 15% decline in sales, taking into account the effect of a decrease in variable costs and available reductions in other costs);
- average annual 1M WIBOR changes by up to 2pp;

the financial covenants as at the successive testing dates will be achieved as required by the financing agreements.

In the Management Board's opinion, a number of measures are available to offset the potential adverse effect of the risks listed above on the Group's financial performance, including separately for the CCC Business Unit and for the Modivo Business Unit. Such measures include cost savings in relation to the Annual Budget as well as further working capital optimisation. A factor significantly contributing to mitigating these risks is the share capital increase in CCC S.A., which is to deleverage the business, as described below.

Pursuant to resolutions of the Extraordinary General Meeting of CCC S.A. of November 17th 2022 convened at the request of the Company's main shareholder Ultro S.a.r.l. (a subsidiary of Dariusz Miłek), on May 9th 2023 the share capital of CCC S.A. was increased through the issue of 14 million shares with a par value of PLN 0.1 and an issue price of PLN 36.11. The issue proceeds amounted to PLN 505.5m, with PLN 212.3m paid to CCC S.A. on April 24th 2023, that is prior to the reporting date, and the balance received after the reporting date. The increase was registered with the National Court Register on May 9th 2023. The share issue proceeds will be used to optimise the financing structure in view of high interest rates and the aim of reducing the Group's debt levels.

As regards the Modivo Business Unit, most of the debt financing are bonds convertible into Modivo S.A. shares issued to SVF II Motion Subco (DE) LLC, a Softbank Group company, redeemable on the third anniversary of the issue date (August 23rd 2024), unless previously converted into shares provided that Modivo S.A. carries out an initial public offering of its shares, or repaid. The bonds are presented under current liabilities because of the planned IPO and, if the IPO is carried out, their mandatory conversion into shares. With respect to the bank financing of the Modivo Business Unit maturing in 2023, the Management Board of the Modivo Business Unit took steps to extend its availability and, on April 13th 2023, Modivo S.A. received a binding offer from Bank Polska Kasa Opieki S.A. to extend the availability period of the multi-purpose credit facility up to a total amount of PLN 260m contracted on October 26th 2017, its other terms and conditions unchanged, for another 12-month period, i.e. until April 29th 2024. The extension of the availability period of the credit facility took effect on April 26th 2023.

Later in the year, the Management Board of the Modivo Business Unit additionally intends to renew the PLN 180.0m financing from PKO BP maturing on November 21st 2023. During the financial year, the reverse factoring agreements will also be extended: reverse factoring facility of PLN 180.0m (renewal in 2023 for PLN 150.0m, including PLN 50.0m in products secured by BGK guarantees) from PEKAO S.A. and reverse factoring facility of PLN 140.0m from PKO BP, including a PLN 60.0m limit secured by a guarantee under the BGK Liquidity Guarantee Fund.

In addition, as part of the deleveraging plan, the Management Board of CCC S.A. took steps to raise capital by way of a leaseback of selected items of property, plant and equipment owned by the CCC Group companies (as described in detail in Note 6.8. 'Events after the reporting date' in the consolidated financial statements of the CCC Group for 2022). The Management Board also upholds its plan to carry out an initial public offering of Modivo shares.

In conclusion, despite the risks and exceptional circumstances mentioned above, based on the Annual Plan for 2023 and plans for subsequent reporting periods, including the analyses and scenarios of alternative measures described above, and considering the execution of the agreements changing the financial ratios and extending the availability of the Group's financing, the Company's Management Board believes that adequate preventive measures have been taken or provided for to ensure that these risks are mitigated and the Group's plans are carried out, and has therefore drawn up the accompanying consolidated financial statements on a going concern basis.

SIGNIFICANT EVENTS AND TRANSACTIONS THAT OCCURRED AFTER THE END OF THE LAST ANNUAL REPORTING PERIOD

1. The share capital of CCC S.A. was increased through the issue of 14 million shares with a par value of PLN 0.1 and an issue price of PLN 36.11. The issue proceeds amounted to PLN 505.5m. See the 'Going Concern' section for details.
2. For details of the purchase of a 75.1% interest in CCC Ukraina Sp. z o.o., see Note 6.

EFFECT OF CHANGES IN THE ECONOMIC SITUATION ON THE VALUATION OF ASSETS AND LIABILITIES OF THE CCC GROUP

Inventory write-downs
For more information, see Note 4.3.

Expected credit losses (ECL)
The Group assesses expected credit losses ("ECL") associated with financial instruments measured at amortised cost, regardless of whether there is any indication of impairment.
With respect to short-term trade receivables without a significant financing component, lease receivables and other receivables, the Group applies the simplified approach provided for in IFRS 9 and measures impairment losses in the amount of credit losses expected over the entire lifetime of a receivable since its initial recognition.
In the case of receivables for which a case-by-case approach is justified, the Group measures the probability of default based on market data published by Moody's.
The Group's business involves mainly retail, digital and wholesale activities. Trade receivables relate mainly to the wholesale business and cooperation with franchisees (trade receivables in the retail and digital segments are not material). Allowances were recognised for receivables from entities in the case of which, in the Group's opinion, there was a risk of default.
With respect to those assets, the Group estimated an allowance for expected credit losses and reversed a PLN 2.0m impairment loss on receivables from customers in the reporting period. As a result, the impairment loss on receivables from customers as at April 30th 2023 was PLN 98.8m.
The Group did not observe any material deterioration in collection rates or an increase in the number of bankruptcies or reorganisations among its other customers, except for two entities, for which appropriate impairment losses on receivables were recognised in prior periods. Accordingly, the Group expects that the collectability of the remaining trade receivables disclosed in the statement of financial position as at April 30th 2023, maturing in the coming months, will remain substantially unchanged.
Another group of assets exposed to credit losses are loans. As at each reporting date, the Group assesses whether there has been no significant increase in credit risk of the financial asset in the form of loans and whether there exists no objective evidence of impairment. For the purposes of this assessment, the Management Board analyses the risk of repayment of loans, taking into account the borrower's current financial condition. The Group measures the allowance for expected credit losses in an amount equal to 12-month expected credit losses. If the credit risk has increased significantly since initial recognition, the Group measures the loss allowance in an amount equal to lifetime expected credit losses.
Following an assessment of the borrower's credit risk, a loss allowance for receivables under loans advanced to an associate was recognised, covering 100% of the exposure in 2020.

Impairment of property, plant and equipment, intangible assets, goodwill and rights-of-use assets
As at April 30th 2023, an assessment of indications of impairment of property, plant and equipment, intangible assets, goodwill and right-of-use assets, showed no need to test the above assets for impairment. As regards the property, plant and equipment and goodwill recognised in connection with the acquisition of CCC Ukraina Sp. z o.o., the Group is in the process of allocating the purchase price and assessing potential impairment, having recognised preliminary estimates. Thus, net assets recognised in respect of CCC Ukraina Sp. z o.o. as at the reporting date may change once the purchase price is finally accounted for in the first half of 2023.

Other accounting matters and issues
As at the date of these financial statements, the Group did not identify any material risks related to potential breach of the terms of its existing trade and supply contracts.
As a result of the execution of financing agreements with banks, bondholders and other institutions, the Group is required to meet a number of covenants, which will be calculated and tested in subsequent reporting periods, as described in detail in the Directors' Report on the Group's operations under 'Covenants/financial ratios'.
As at April 30th 2023, in the opinion of the Management Board none of the covenants were breached during the reporting period and until the date of authorisation of the financial statements for issue.
Based on its financial projections for subsequent reporting periods, the Group believes that the recognised deferred tax asset is recoverable.

FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

Items of the financial statements of individual Group entities are measured in the currency of the primary economic environment in which the entity operates ("functional currency"). These consolidated financial statements are presented in the Polish złoty (PLN), which is the functional currency of the parent and the presentation currency of the Group.

STATEMENT OF ACCOUNTING POLICIES

The accounting policies applied by the CCC Group did not change relative to those applied in the full-year financial statements for the financial year February 1st 2022 – January 31st 2023, except for the application of new or amended standards and interpretations effective for annual periods beginning on or after February 1st 2023.
The parent and other Group companies were established for an indefinite period.

New and amended accounting standards

The amended standards and interpretations which apply for the first time in or after 2023 or do not have a material impact on the Group's consolidated financial statements:

- IFRS 14 Regulatory Deferral Accounts,
- amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture,
- amendments to IAS 1: Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants,
- amendments to IFRS 16 Leases: Lease liability in a sale and leaseback,
- amendments to IAS 7: Statement of cash flows and IFRS 7 Financial instruments: Disclosures: Supplier Finance Arrangements,
- amendments to IAS 12: Income tax: International Tax Reform – Pillar Two Model Rules and Deferred Tax related to Assets and Liabilities arising from a Single Transaction,
- IFRS 17 Insurance Contracts (issued on May 18th 2017), including amendments to IFRS 17 (issued on June 25th 2020),
- amendments to IAS 8: Definition of Accounting Estimates – introducing a definition of accounting estimates.

The Group did not elect to early adopt any of the standards, interpretations or amendments that have been issued but are not yet effective in accordance with the European Union regulations.

FACTORS WITH MATERIAL BEARING ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Statement of comprehensive income

Revenue

The 9.7% year-on-year increase in omnichannel revenue posted by the Group for the three months to April 30th 2023 was driven primarily by the roll-out of the omnichannel model, further growth of the HalfPrice segment, and a broader range of products available across segments.

Cost of sales

Cost of sales grew by 15.2% year on year in the three months to April 30th 2023, with revenue up 9.7%, leading to a 2.6pp year-on-year drop in gross margin. This was a combined effect of higher discounts implemented mainly in the CCC segment (resale of the discounted AW collection and promotional efforts implemented in response to a long winter), and overstocking in the multibrand e-commerce segment. Margins eroded also on account of inventory write-downs.

Costs of points of purchase and distribution

Costs of points of purchase and distribution increased by PLN 85.4m (10.0%) year on year, driven mainly by:

- PLN 41.6m increase in other costs, including mainly costs of logistics and warehouse services, IT maintenance, and advisory services;
- PLN 14.4m increase in salaries, wages and employee benefits expense, attributable to expansion of the sales channels;
- PLN 12.5m increase in other rental costs (sales-based rents and variable costs: utilities, electricity, etc.) attributable to expansion of the sales channels and renegotiation of lease contracts – a shift from fixed rents to variable, sales-based rents, and rising service charges and energy prices;
- PLN 9.6m increase in advertising costs due to increased competition in the digital channel, mainly at the Modivo Group, and overall expansion of the sales channels.

Administrative expenses

Administrative expenses rose PLN 6.3m (6.7%)year on year, Mainly on account of a PLN 3.6m increase in salaries, wages and employee benefits.

Other income and expenses

Other expenses fell PLN 22.6m year on year, to PLN 17.4m in the three months to April 30th 2023 (data for continuing operations). The decrease in other expenses was mainly due to the absence of foreign exchange losses on items other than debt (these amounted to PLN 32.7m in the same period of the previous year). Despite a drop in total other expenses, impairment losses on goodwill rose PLN 11.5m in the reporting period and they related to CCC Ukraina Sp. z o.o.
A reversal of the allowance for expected credit losses on trade and other receivables was PLN 2.0m and rose PLN 2.4m year on year. In the reporting period, an impairment loss of PLN 11.4m was recognised and an impairment loss of PLN 13.4m was reversed. The changes in the period were mainly related to wholesale trade partners.
Other income rose PLN 20.2m year on year, to PLN 28.9m in the three months to April 30th 2023 (data for continuing operations). The increase in other income was mainly driven by foreign exchange gains on items other than debt, of PLN 15.1m (no such gains were reported in the comparative period), and a PLN 2.8m increase in compensation.
As a result, operating loss for the three months to April 30th 2023 was PLN 67.0m, compared with a PLN 56.5m operating loss reported for the comparative period.

Finance costs and income

Finance costs were PLN 111.1m, up PLN 12.4m year on year, with the increase driven mainly by:

- interest expense on borrowings and bonds of PLN 84.1m, compared with PLN 64.0m in the previous year. The increase reflected higher debt service costs following a series of interest rate rises by the National Bank of Poland;
- PLN 3.9m increase in costs relating to the measurement of an option to purchase non-controlling interests;

- foreign exchange gains posted for the reporting period, leading to a year-on-year decrease in finance costs by PLN 20.8m;
- PLN 1.5m increase in costs relating to the measurement of an instrument embedded in bonds convertible into Modivo S.A. shares.

In the reporting period, finance income went up by PLN 23.3m year on year, to PLN 24.0m, and included mainly foreign exchange gains of PLN 21.6m (foreign exchange losses of PLN 20.8m were reported for the comparative period). Income relating to the measurement of a derivative financial instrument embedded in bonds issued to PFR (equity kicker), of PLN 0.2m, was also booked in the reporting period.
Net of income tax of PLN 2.1m, the CCC Group posted net loss on continuing operations for the three months ended April 30th 2023 of PLN 152.0m, down PLN 8.1m year on year.

Statement of financial position

Assets
As at April 30th 2023, the CCC Group had total assets of PLN 7,344.8m, up by PLN 280.7m on January 31st 2023.

Non-current assets
As at April 30th 2023, non-current assets amounted to PLN 3,609.6m, up by PLN 8.3m on the end of the previous year. The change was mainly caused by:

- PLN 19.3m increase in intangible assets;
- PLN 9.2m increase in deferred tax assets;
- PLN 7.7m increase in property, plant and equipment;
- PLN 26.8m decrease in right-of-use assets. and
- PLN 1.1m decrease in goodwill.

As at the reporting date, intangible assets amounted to PLN 396.1m and were PLN 19.3m higher compared with January 31st 2023. The change was attributable mainly to expenditure of PLN 7.5m on software supporting the e-commerce sales channel, and expenditure of PLN 19.4m on intangible assets under development, which was incurred chiefly on the implementation of new technological solutions relating to the eobuwie and MODIVO applications. The increase was offset by accrued amortisation of PLN 7.7m.
As at the reporting date, goodwill amounted to PLN 202.8m and was PLN 1.1m lower compared with January 31st 2023, with the change attributable to foreign exchange differences. In the three months to April 30th 2023, goodwill of PLN 11.6m was recognised for CCC Ukraina Sp. z o.o., with an impairment loss in the same amount recognised for that goodwill. For more information on the acquisition of subsidiary CCC Ukraina Sp. z o.o., see Note 6.
Property, plant and equipment – investments in stores as at April 30th 2023 amounted to PLN 664.7m, up PLN 8.0m on January 31st 2023. The change was mainly caused by:

- capital expenditure of PLN 40.8m incurred in connection with the expansion of the retail business and development of the omnichannel model at the Group; and
- depreciation of PLN 31.0m;

Property, plant and equipment – distribution as at April 30th 2023 amounted to PLN 694.2m, up PLN 2.2m on January 31st 2023. The change was mainly attributable to accrued depreciation of PLN 17.2m and expenditure of PLN 19.4m related to the extension of the K3 warehouse in Zielona Góra.
Property, plant and equipment – other as at April 30th 2023 amounted to PLN 90.7m, down PLN 2.5m on January 31st 2023. The change was mainly attributable to accrued depreciation of PLN 4.2m and expenditure of PLN 1.1m.
As at April 30th 2023, the right-of-use assets were PLN 1,353.1m, down PLN 26.8m on January 31st 2023. The change was mainly attributable to:

- execution of new lease contracts for PLN 51.2m,
- contract modifications for PLN 35.2m,
- termination and change of the scope of lease contracts for PLN 9.7m ,
- amortisation of PLN 93.2m,
- exchange differences of PLN 10.3m.

Current assets
Current assets rose by PLN 272.4m relative to January 31st 2023, to PLN 3,735.2m, and comprised mainly inventory of PLN 2,914.3m (January 31st 2023: PLN 2,691.1m) and cash and cash equivalents of PLN 394.4m (January 31st 2023: PLN 395.4m). The change was attributable mainly to:

- PLN 223.2m increase in inventories due to the stocking up for the spring-summer 2023 collection and the expansion of the HalfPrice network. An inventory write-down of PLN 15.5m was recognised in the three months ended April 30th 2023, which amounted to PLN 82.2m at the reporting date; and
- PLN 4.4mincrease in trade receivables and a PLN 36.5m increase in other receivables.

As at the reporting date, impairment losses on trade receivables were PLN 98.8m, down PLN 2.0m year on year. The impairment losses were related mainly to wholesale trade partners. For more information on impairment losses recognised in the reporting period, see Note 4.3.

Non-current liabilities
Non-current liabilities fell PLN 233.9m, to PLN 2,507.5m as at the reporting date.
As at April 30th 2023, non-current liabilities under bank borrowings and bonds amounted to PLN 1,199.3m, having decreased PLN 171.2m year on year, mainly as a result of repayments made under overdraft facilities, presented as non-current liabilities due to the long-term nature of the facilities. For more information, see Note 5.2.
As at the reporting date, other non-current liabilities amounted to PLN 4.7m, having decreased PLN 0.2m.
As at April 30th 2023, other non-current financial liabilities totalled PLN 6.3m and were entirely related to the measurement of a derivative financial instrument embedded in bonds issued to PFR (equity kicker). As at January 31st 2023, the instrument was measured at PLN 6.5m and was entirely presented as a non-current liability.

Current liabilities
Current liabilities increased by PLN 448.5m, to PLN 4,188.5m as at the reporting date, and comprised mainly:

- trade and other payables, which rose by PLN 510.2m relative to January 31st 2023 and amounted to PLN 1,899.7m as at the reporting date. The change was attributable to the stocking-up seasonality at the CCC Group.
- current liabilities under borrowings and bonds of PLN 1,066.1m, which decreased PLN 89.6m year on year (PLN 1,155.7m as at January 31st 2023), mainly due to partial repayment of debt. For more information, see Note 5.2,
- other current liabilities of PLN 481.0m, which rose PLN 10.6m year on year. The increase in other liabilities was mainly attributable to a PLN 18.1m increase in indirect taxes, customs duties and other payables, with a PLN 7.8m decrease in amounts due to employees. Accruals and deferred income mainly related to the provision for future costs, increased by PLN 9.6m. The reporting period saw a PLN 7.3m decrease in returns liabilities.

A derivative financial instrument embedded in bonds convertible into Modivo S.A. shares (a voluntary conversion option) was presented as current as at the reporting date and amounted to PLN 18.0m(January 31st 2023: PLN 15.8m).

Equity
As at April 30th 2023, equity stood at PLN 648.8m having increased PLN 66.1m on January 31st 2023. The increase in statutory reserve funds resulted from the issue of 14 million shares with a par value of PLN 0.1 and an issue price of PLN 36.11. The issue proceeds amounted to PLN 505.5m, with PLN 212.3m paid to CCC S.A. on April 24th 2023 and the balance received after the reporting date. The increase was registered with the National Court Register on May 9th 2023.

2. SEGMENTS AND REVENUE

Operating segments and revenue are presented in a manner consistent with internal reporting provided to the chief operating decision maker, on the basis of which the decision maker assesses the performance of the operating segments and decides on the allocation of resources. The Management Board of the parent is the chief operating decision maker.
The Management Board analyses the Group's business in terms of business lines and distinguishes:

- CCC,
- eobuwie,
- MODIVO,
- HalfPrice, and
- DeeZee.

Financial data prepared for the management reporting purposes is based on the same accounting principles as the principles applied in the preparation of consolidated financial statements.
For detailed information on seasonality and periodic changes in sales, see the "Factors and events with a bearing on the performance of the CCC Group" section of the Directors' Report.
The operating and reportable segments identified by the Group are presented below.

Reportable segment	Overview of the reportable segment's activities and performance metrics
CCC omnichannel sales – sales via the CCC websites and offline stores operating in the CCC chain, as well as distribution.	The Group sells footwear, clothing, handbags, shoe care accessories, and small clothing accessories via retail stores and websites, and on a wholesale basis to Polish and foreign franchisees and other wholesale customers. The distribution activities are conducted by CCC.eu, which distributes merchandise to and outside the Group. The performance measures are gross profit on external sales and the segment's operating result (segment profit / (loss)), which is calculated as revenue less cost of goods sold, direct and indirect distribution costs of the retail chain, distribution network and websites, as well as costs of sales support units (costs of points of purchase and distribution), relevant administrative expenses and other income and expenses, adjusted for depreciation and amortisation.
Eobuwie omnichannel sales – sales via the eobuwie websites and through the offline stores operating in the eobuwie.pl chain.	The activities are carried out by the Modivo Group, which distributes goods through online channels and offline stores. The Group sells footwear, clothing, handbags, shoe care accessories and small clothing accessories to Polish and foreign retail customers. The performance measures are gross profit on external sales and the segment's operating result (segment profit / (loss)), which is calculated as revenue less cost of goods sold and direct and indirect costs of operating the omnichannel platform (including logistics costs), relevant administrative expenses and other income and expenses, adjusted for depreciation and amortisation.
Modivo omnichannel sales – sales via the Modivo websites and retail stores operating in the Modivo chain.	The activities are carried out by the Modivo Group, which distributes goods through the Modivo platform and offline stores. The Group sells clothing, footwear, handbags, shoe care accessories and small clothing accessories to Polish and foreign retail customers. The performance measures are gross profit on external sales and the segment's operating result (segment profit / (loss)), which is calculated as revenue less cost of goods sold and direct and indirect costs of operating the omnichannel platform (including logistics costs), relevant administrative expenses and other income and expenses, adjusted for depreciation and amortisation. The Modivo Group also manufactures clothing (the Rage Age, Simple, Sprandi, Amerianos, Togoshi, Gino Rossi brands).

HalfPrice omnichannel sales – sales via the HalfPrice websites and through offline retail stores operating within the HalfPrice chain.	The activities are conducted as the HalfPrice business line – sales at offline stores and via the website. The business comprises sales of clothing, footwear, accessories, cosmetics, toys, and homewares of known brands at attractive prices. The performance measures are gross profit on external sales and the segment's operating result (segment profit / (loss)), which is calculated as revenue less cost of goods sold and direct and indirect costs of operating the omnichannel platform (including rental costs, salaries and wages, logistics costs), relevant administrative expenses and other income and expenses, adjusted for depreciation and amortisation.
DeeZee sales – sales through the DeeZee online store and distribution.	The activities are carried out by DeeZee sp. z o.o., which distributes merchandise via Internet channels and conducts wholesale distribution of merchandise to and outside the Group. The company sells footwear, clothing, handbags, shoe care accessories and small clothing accessories to Polish and foreign retail customers. The performance measures are gross profit on external sales and the segment's operating result (segment profit / (loss)), which is calculated as revenue less cost of goods sold and direct and indirect costs of operating the omnichannel platform (including logistics costs), relevant administrative expenses and other income and expenses, adjusted for depreciation and amortisation.

Feb 1–Apr 30 2023 unaudited, unreviewed	CCC	eobuwie	MODIVO	HalfPrice	DeeZee	Total	Consolidation adjustments	Consolidated financial statements
Revenue from sales to external customers	848.4	701.0	240.9	251.5	22.3	2,064.1	–	2,064.1
Gross profit	**447.5**	**300.4**	**99.7**	**100.0**	**11.2**	**958.8**	**–**	**958.8**
Gross margin (gross profit on sales/revenue from sales to external customers)	*53%*	*43%*	*41%*	*40%*	*50%*	*46%*		*46%*
Costs of points of purchase and distribution	-437.3	-284.2	-97.8	-111.2	-8.9	-939.4	–	-939.4
Administrative expenses	-65.6	-20.0	-6.3	-6.7	-1.3	-99.9	–	-99.9
Other income and expenses, and (recognition) / reversal of loss allowances	13.6	-0.8	-0.0	0.5	0.2	13.5	–	13.5
EBIT	**-41.8**	**-4.6**	**-4.4**	**-17.4**	**1.2**	**-67.0**	**–**	**-67.0**
Depreciation/amortisation	-108.1	-17.1	-4.9	-25.3	-0.2	-155.6	–	-155.6
EBITDA	**66.3**	**12.5**	**0.5**	**7.9**	**1.4**	**88.6**	**–**	**88.6**
Finance income								24.0
Other finance costs								-111.1
Profit (loss) before tax								**-154.1**

Segment assets:	**Apr 30 2023**							
Inventory	**1,050.1**	**1,083.3**	**363.1**	**398.3**	**19.5**	**2,914.3**	**–**	**2,914.3**
in stores	671.0	105.8	5.1	220.6	19.5	1,022.0		
in the central warehouse	379.1	977.5	358.0	177.7	–	1,892.3		

Feb 1–Apr 30 2022 unaudited, unreviewed	CCC	eobuwie	MODIVO	HalfPrice	DeeZee	Total	Consolidation adjustments	Consolidated financial statements
Revenue from sales to external customers	819.7	745.1	162.4	118.5	26.0	1,871.7	10.3	1,882.0
Gross profit	**463.3**	**325.0**	**66.7**	**54.4**	**13.4**	**922.8**	**0.0**	**922.8**
Gross margin (gross profit on sales/revenue from sales to external customers)	*57%*	*44%*	*41%*	*46%*	*52%*	*49%*		*49%*
Costs of points of purchase and distribution	-453.7	-256.7	-63.4	-67.8	-12.4	-854.0	–	-854.0
Administrative expenses	-65.3	-18.3	-4.4	-4.3	-1.3	-93.6	–	-93.6
Other income and expenses, and (recognition) / reversal of loss allowances	-28.7	-2.9	-0.6	0.2	0.3	-31.7	–	-31.7
EBIT	**-84.4**	**47.1**	**-1.7**	**-17.5**	**–**	**-56.5**	**0.0**	**-56.5**
Depreciation/amortisation	-110.9	-15.4	-1.6	-17.6	-0.3	-145.8	–	-145.8
EBITDA	**26.5**	**62.5**	**-0.1**	**0.1**	**0.3**	**89.3**	**0.0**	**89.3**
Finance income								0.7
Other finance costs								-98.7
Profit (loss) before tax								**-154.5**

Segment assets:	**Jan 31 2023**							
Inventory	**1,044.8**	**962.2**	**335.7**	**328.3**	**20.1**	**2,691.1**	**–**	**2,691.1**
in stores	617.7	98.6	4.5	162.6	–	883.4		
in the central warehouse	427.1	863.6	331.2	165.7	20.1	1,807.7		

In these consolidated financial statements, the Group presents the Segment's EBITDA calculated as gross profit less costs of points of purchase and other distribution costs, administrative expenses and other expenses, plus other income, and (recognition) / reversal of loss allowances, adjusted for depreciation and amortisation. EBITDA is not a measure defined in IFRS and so its calculation method may vary between entities.

Assets of the reportable segments, regularly presented to the chief operating decision maker, comprise only inventories. Other assets and liabilities are monitored at the Group level and are not allocated to operating segments.

Feb 1–Apr 30 2023		Revenue					
Markets / Segments		CCC	eobuwie	MODIVO	HalfPrice	DeeZee	Total
Poland	**Poland**	**567.3**	**267.0**	**73.9**	**197.4**	**22.3**	**1,127.9**
Central and Eastern Europe	Czech Republic	60.6	49.4	17.7	12.4	–	140.1
	Slovakia	39.3	21.4	9.0	5.6	–	75.3
	Hungary	58.7	42.8	10.5	10.4	–	122.4
	Romania	58.5	79.6	32.4	1.4	–	171.9
	Bulgaria	12.9	39.9	21.0	–	–	73.8
	Slovenia	10.0	6.3	1.6	5.7	–	23.6
	Croatia	17.9	17.1	5.2	2.6	–	42.8
	Lithuania	1.3	20.5	6.1	–	–	27.9
	Latvia	3.3	5.1	1.0	0.7	–	10.1
	Estonia	2.8	–	–	–	–	2.8
	Serbia	7.0	–	–	–	–	7.0
	Ukraine	8.7	12.5	18.9	–	–	40.1
	Total	**281.0**	**294.6**	**123.4**	**38.8**	**–**	**737.8**
Western Europe	Austria	0.1	2.5	0.9	15.3	–	18.8
	Switzerland	–	11.3	–	–	–	11.3
	Germany	–	35.7	13.4	–	–	49.1
	France	–	7.3	2.4	–	–	9.7
	Spain	–	3.4	–	–	–	3.4
	Italy	–	25.3	6.4	–	–	31.7
	Sweden	–	3.8	–	–	–	3.8
	Greece	–	50.1	20.5	–	–	70.6
	Total	**0.1**	**139.4**	**43.6**	**15.3**	**–**	**198.4**
CCC Group	**Total**	**848.4**	**701.0**	**240.9**	**251.5**	**22.3**	**2,064.1**

Feb 1–Apr 30 2022		Revenue					
Markets / Segments		CCC	eobuwie	MODIVO	HalfPrice	DeeZee	Total
Poland	**Poland**	**547.8**	**271.9**	**61.3**	**94.5**	**26.0**	**1,001.5**
Central and Eastern Europe	Czech Republic	68.8	58.1	12.0	3.7	–	142.6
	Slovakia	37.1	27.3	7.1	1.2	–	72.7
	Hungary	61.8	57.1	9.4	5.6	–	133.9
	Romania	56.6	74.2	22.9	–	–	153.7
	Bulgaria	10.6	36.4	11.9	–	–	58.9
	Slovenia	11.4	5.8	–	–	–	17.2
	Croatia	16.6	14.7	1.9	2.3	–	35.5
	Lithuania	–	21.9	5.5	–	–	27.4
	Latvia	–	2.9	–	–	–	2.9
	Serbia	7.8	–	–	–	–	7.8
	Ukraine	–	0.2	0.6	–	–	0.8
	Total	**270.7**	**298.6**	**71.3**	**12.8**	**–**	**653.4**
Western Europe	Austria	0.8	–	–	11.2	–	12.0
	Switzerland	–	14.7	–	–	–	14.7
	Germany	–	66.1	8.5	–	–	74.6
	France	–	11.2	2.0	–	–	13.2
	Spain	–	3.7	–	–	–	3.7
	Italy	–	29.0	4.9	–	–	33.9
	Sweden	–	1.2	–	–	–	1.2
	Greece	0.4	48.7	14.4	–	–	63.5
	Total	**1.2**	**174.6**	**29.8**	**11.2**	**–**	**216.8**
CCC Group	**Total**	**819.7**	**745.1**	**162.4**	**118.5**	**26.0**	**1,871.7**

The above information on revenue is based on data on the store location in the case of offline sales or based on the country to which purchased goods are shipped in the case of digital sales (e-commerce).

Non-current assets:

NON-CURRENT ASSETS (NET OF OTHER FINANCIAL ASSETS AND DEFERRED TAX)	Apr 30 2023	Jan 31 2023
	unaudited, unreviewed	audited
Poland	2,122.4	2,052.3
Czech Republic	234.4	247.1
Hungary	206.0	218.1
Romania	253.7	270.5
Slovakia	90.6	102.5
Other	498.1	515.5
Total non-current assets (excluding other financial assets and deferred tax)	**3,405.1**	**3,406.0**

3. NOTES TO THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

3.1. COSTS BY NATURE OF EXPENSE

Feb 1–Apr 30 2023	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise sold	-1,090.1	–	–	-1,090.1
Raw material and consumables used	–	-40.2	-7.4	-47.6
Inventory write-downs	-15.5	–	–	-15.5
Salaries, wages and employee benefits	-0.2	-246.6	-47.0	-293.8
Transport services	–	-110.1	-0.2	-110.3
Other rental costs – utilities and other variable costs	–	-85.4	-7.3	-92.7
Advertising	–	-217.3	-0.3	-217.6
Depreciation/amortisation	–	-141.9	-13.7	-155.6
Taxes and charges	–	-10.7	-1.1	-11.8
Other costs	–	-87.2	-22.9	-110.1
Change in products and work in progress	0.5	–	–	0.5
Total	**-1,105.3**	**-939.4**	**-99.9**	**-2,144.6**

Feb 1–Apr 30 2022	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise sold	-957.5	–	–	-957.5
Raw material and consumables used	-0.2	-46.7	-8.5	-55.4
Inventory write-downs	-1.3	–	–	-1.3
Salaries, wages and employee benefits	–	-232.2	-43.4	-275.6
Transport services	–	-105.0	–	-105.0
Other rental costs – utilities and other variable costs	–	-72.9	-6.0	-78.9
Advertising	–	-207.7	-0.4	-208.1
Depreciation/amortisation	–	-135.6	-10.2	-145.8
Taxes and charges	–	-8.3	-1.2	-9.5
Other costs	–	-45.6	-23.9	-69.5
Change in products and work in progress	-0.2	–	–	-0.2
Total	**-959.2**	**-854.0**	**-93.6**	**-1,906.8**

3.2. OTHER INCOME AND EXPENSES, FINANCE INCOME AND COSTS

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Other expenses		
Loss on disposal of property, plant and equipment	–	-1.9
Impairment losses on property, plant and equipment, intangible assets, and right-of-use assets	-11.6	-0.1
Recognised provisions	–	-0.9
Interest and penalties	-1.1	–
Other	-4.7	-4.4
Foreign exchange losses on items other than debt	–	-32.7
Total other expenses	**-17.4**	**-40.0**

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Other income		
Gain on disposal of property, plant and equipment	1.1	–
Foreign exchange gains on items other than debt	15.1	–
Compensation	4.1	1.3
PFRON wage subsidies	0.1	0.9
Gain on settlement of leasehold improvements with landlords	1.2	1.1
Gain on settlement of lease contracts	2.4	0.8
Grants	0.1	0.2
Other	4.8	4.4
Total other income	**28.9**	**8.7**

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
(Recognition) / Reversal of loss allowances (trade receivables)		
Impairment losses on trade receivables	2.0	-0.4
(Recognition) / Reversal of loss allowances (trade receivables), total	**2.0**	**-0.4**

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Finance costs		
Interest on borrowings and bonds	-84.1	-64.0
Interest on leases	-15.2	-9.0
Foreign exchange gains (losses)	–	-20.8
Commission fees paid	-3.5	-1.3
Valuation of options to purchase non-controlling interests	-4.6	-0.7
Derivative financial instruments embedded in bonds convertible into Modivo S.A. shares – voluntary conversion option	-2.2	-0.7
Other finance costs	-1.5	-2.2
Total finance costs	**-111.1**	**-98.7**

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Finance income		
Interest income on cash in current account and other interest income	0.5	0.6
Foreign exchange gains (losses)	21.6	–
Other finance income	1.7	0.1
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	0.2	–
Total finance income	**24.0**	**0.7**

	Amount as at Feb 1 2023	Effect of measurement at fair value	Amount as at Apr 30 2023
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	6.5	-0.2	6.3
Derivative financial instruments embedded in bonds convertible into Modivo S.A. shares – voluntary conversion option	15.8	2.2	18.0
Total	**22.3**	**2.0**	**24.3**

	Amount as at Feb 1 2022	Effect of measurement at fair value	Amount as at Jan 31 2023
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	19.9	-13.4	6.5
Derivative financial instruments embedded in bonds convertible into Modivo S.A. shares – voluntary conversion option	14.6	1.2	15.8
Total	**34.5**	**-12.2**	**22.3**

4. NOTES TO THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

4.1. PROVISIONS

unaudited, unreviewed	PROVISION FOR JUBILEE AND RETIREMENT BENEFITS	PROVISIONS FOR WARRANTY REPAIRS	PROVISION FOR LITIGATION	OTHER PROVISIONS	TOTAL
As at Feb 1 2023	**16.7**	**8.7**	**1.5**	**0.6**	**27.5**
short-term	3.7	8.7	1.5	0.6	14.5
long-term	13.0	–	–	–	13.0
As at Feb 1 2023	**16.7**	**8.7**	**1.5**	**0.6**	**27.5**
Recognised	-0.1	17.0	–	–	16.9
Used	–	-5.7	–	–	-5.7
Reversed	–	-0.2	-0.3	–	-0.5
As at Apr 30 2023	**16.6**	**19.8**	**1.2**	**0.6**	**38.2**
short-term	3.7	19.8	1.2	0.6	25.3
long-term	12.9	–	–	–	12.9

audited	PROVISION FOR JUBILEE AND RETIREMENT BENEFITS	PROVISIONS FOR WARRANTY REPAIRS	PROVISION FOR LITIGATION	OTHER PROVISIONS	TOTAL
As at Feb 1 2022	**17.0**	**14.3**	**–**	**0.5**	**31.8**
short-term	2.7	14.3	–	0.4	17.4
long-term	14.3	–	–	0.1	14.4
As at Feb 1 2022	**17.0**	**14.3**	**–**	**0.5**	**31.8**
Recognised	1.7	7.3	1.5	0.1	10.6
Used	-0.6	-6.1	–	–	-6.7
Reversed	-1.4	-6.8	–	–	-8.2
As at Jan 31 2023	**16.7**	**8.7**	**1.5**	**0.6**	**27.5**
short-term	3.7	8.7	1.5	0.6	14.5
long-term	13.0	–	–	–	13.0

4.2. DEFERRED TAX ASSETS AND LIABILITIES

	Apr 30 2023	RECOGNISED / (CHARGED) ON PROFIT OR LOSS	Feb 1 2023
Assets			
Trademarks	6.1	-1.1	7.2
Inventories – adjustment of margin on intra-group sales	10.0	1.4	8.6
Impairment of assets: inventories and receivables	3.6	-1.5	5.1
Impairment of property, plant and equipment (leasehold improvements), rights-of-use assets and intangible assets	4.2	2.8	1.4
Provisions for liabilities	24.8	1.7	23.1
Special economic zone relief	49.0	-1.2	50.2
Other	55.0	11.3	43.7
Measurement of lease contracts	48.4	-4.9	53.3
Total before offset	**201.1**	**8.5**	**192.6**
Liabilities			
Other	9.9	-0.7	10.6
Purchase of intangible assets disclosed on acquisition of subsidiaries	31.9	0.2	31.7
Total before offset	**41.8**	**-0.5**	**42.3**
Offset	7.8	-0.7	8.5
Deferred tax balances as disclosed in statement of financial position	–	–	–
Assets	193.3	9.2	184.1
Liabilities	34.0	0.2	33.8

	Feb 1 2023	RECOGNISED / (CHARGED) ON PROFIT OR LOSS	Feb 1 2022
Assets			
Trademarks	7.2	-6.2	13.4
Inventories – adjustment of margin on intra-group sales	8.6	-1.6	10.2
Impairment of assets: inventories and receivables	5.1	3.8	1.3
Impairment of property, plant and equipment (leasehold improvements), rights-of-use assets and intangible assets	1.4	-0.6	2.0
Provisions for liabilities	23.1	-7.6	30.7
Special economic zone relief	50.2	-3.1	53.3
Other	43.7	21.1	22.6
Tax losses	–	-0.3	0.3
Measurement of lease contracts	53.3	6.3	47.0
Total before offset	**192.6**	**11.8**	**180.8**
Liabilities			
Accelerated tax depreciation of property, plant and equipment	–	-4.1	4.1
Accrued interest	–	0.1	-0.1
Other	10.6	7.6	3.0
Purchase of intangible assets disclosed on acquisition of subsidiaries	31.7	-5.4	37.1
Total before offset	**42.3**	**-1.8**	**44.1**
Offset	8.5	3.2	5.3

Deferred tax balances as disclosed in statement of financial position	–	–	–
Assets	184.1	8.6	175.5
Liabilities	33.8	-5.1	38.9

4.3. CHANGE IN IMPAIRMENT LOSSES/WRITE-DOWNS

Impairment losses/ write-downs (PLNm)	PROPERTY, PLANT AND EQUIPMENT – OTHER	PROPERTY, PLANT AND EQUIPMENT – LEASEHOLD IMPROVEMENTS	RIGHT-OF-USE ASSETS	GOODWILL	INVENTORIES	TRADE RECEIVABLES	OTHER RECEIVABLES	LOANS
As at Feb 1 2023	**0.1**	**5.3**	**19.8**	**21.8**	**70.4**	**100.8**	**0.9**	**130.2**
Increase	–	3.0	–	11.6	15.5	11.4	-0.0	–
Used	–	-0.3	-0.1	–	-3.7	–	–	–
Reversed	–	–	–	–	–	-13.4	–	–
Other	-0.1	–	-0.3	–	–	–	–	–
As at Apr 30 2023	**–**	**8.0**	**19.7**	**33.4**	**82.2**	**98.8**	**0.9**	**130.2**

Impairment losses/ write-downs (PLNm)	PROPERTY, PLANT AND EQUIPMENT – OTHER	PROPERTY, PLANT AND EQUIPMENT – LEASEHOLD IMPROVEMENTS	RIGHT-OF-USE ASSETS	GOODWILL	INVENTORIES	TRADE RECEIVABLES	OTHER RECEIVABLES	LOANS
As at Feb 1 2022	**0.1**	**8.6**	**21.8**	**21.8**	**37.8**	**60.4**	**–**	**130.2**
Increase	0.7	–	–	–	54.8	52.8	0.9	–
Used	–	-0.7	-0.8	–	-5.8	-3.5	–	–
Reversed	–	-0.1	-0.1	–	-16.4	-8.9	–	–
Transfer to discontinued operations	-0.7	-2.9	-1.1	–	–	–	–	–
Other	–	0.4	–	–	–	–	–	–
As at Jan 31 2023	**0.1**	**5.3**	**19.8**	**21.8**	**70.4**	**100.8**	**0.9**	**130.2**

5. DEBT; CAPITAL AND LIQUIDITY MANAGEMENT

5.1. CAPITAL MANAGEMENT

The purpose of capital risk management is to protect the Group’s ability to continue its operations so as to ensure a return on capital for the shareholders and benefits for other stakeholders, and to maintain a cost-optimised capital structure.

In accordance with the Group's policy, the amount of dividend may not be lower than 33% or higher than 66% of the Group's consolidated net profit attributable to owners of the parent, provided that the ratio of net debt to EBITDA (understood as operating profit (loss) before depreciation and amortisation) as at the end of the financial year for which the dividend is to be distributed is less than 3.0. Under the New Financing Agreement, dividend may be paid on satisfaction of certain conditions, including: the Net Exposure / EBITDA ratio for the CCC Business Unit (the CCC Group excluding the Modivo Group i.e. the Modivo Business Unit) lower than 2.5, with the proviso that the dividend may not be paid earlier than two years after the execution of the said agreement.

For detailed information on the dividend policy and covenants, refer to the annual Directors’ Report on the Group’s operations. To maintain or adjust the capital structure, the Group may adjust the amount of dividends declared to be paid to shareholders, return capital to shareholders, issue new shares or sell assets in order to reduce debt.
Similarly to other entities in the industry, the Group monitors its capital using the debt ratio. The ratio is calculated as net debt to total equity. Net debt is calculated as total borrowings (comprising short- and long-term credit facilities and bonds issued as disclosed in the consolidated statement of financial position) less cash and cash equivalents. The total amount of capital is calculated as the sum of the equity disclosed in the consolidated statement of financial position and the net debt.

EARNINGS (LOSS) PER SHARE

In the three months ended April 30th 2023, basic and diluted loss per share was PLN 2.54. In the three months ended April 30th 2022, basic and diluted loss per share on continuing and discontinued operations was PLN 3.80.

5.2. BANK BORROWINGS AND BONDS

As agreed with the institutions financing the CCC Group's operations, the Group committed to reduce debt in the CCC Business Unit by PLN 320.0m during 2023. A PLN 50.0m reduction in debt was achieved already in 2022 by reducing the amounts available under factoring and credit facilities.
Repayment of the balance of PLN 270.0m was agreed in relation to the parts attributable to the respective banks participating in the financing syndicate, but as at the reporting date it was not determined under which financial instruments the reduction would be effected. It may be covered by available credit facilities, available bank guarantees, or a reduction of the available reverse factoring limit.
As at April 30th 2023, the Group reduced the amounts drawn under overdraft facilities and working capital facilities using share issue proceeds. Also, the Group presented the current and non-current portions of debt in respect of the CCC Business Unit, including the outstanding amount of the commitment to reduce debt by a further PLN 270.0m by December 31st 2023.

The following note presents data on borrowings and bonds in issue.

	FINANCING OF THE CCC BUSINESS UNIT		FINANCING OF THE MODIVO BUSINESS UNIT		TOTAL
	BORROWINGS	BONDS	CREDIT FACILITIES	BONDS	
As at Feb 1 2023	**1,084.8**	**581.5**	**230.1**	**629.8**	**2,526.2**
short-term	**272.4**	**23.4**	**230.1**	**629.8**	**1,155.7**
long-term	**812.4**	**558.1**	**–**	**–**	**1,370.5**
Proceeds from debt contracted					
Interest accrued	28.3	17.0	5.3	33.8	84.4
Debt-related payments					
- principal payments (amortised credit facilities, changes in drawdowns under working capital facilities/RCF, bonds)	-198.1	-0.3	–	–	-198.4
- interest paid	-27.4	–	-4.9	–	-32.3
Increase due to change in overdraft facility amount	–	–	23.5	–	23.5
Decrease due to change in overdraft facility amount	-118.6	–	–	–	-118.6
Other non-cash changes	-19.4	–	–	–	-19.4
As at Apr 30 2023	**749.6**	**598.2**	**254.0**	**663.6**	**2,265.4**
short-term	**109.0**	**39.5**	**254.0**	**663.6**	**1,066.1**
Tranche A	*66.0*	*–*	*–*	*–*	*66.0*
Credit facilities with guarantees from BGK	*40.9*	*–*	*–*	*–*	*40.9*
Other (other credit facilities; credit cards)	*2.1*	*–*	*254.0*	*–*	*256.1*
Bonds issued to PFR	*–*	*5.8*	*–*	*–*	*5.8*
Bonds issued to Softbank	*–*	*–*	*–*	*663.6*	*663.6*
CCC0626 bonds	*–*	*33.7*	*–*	*–*	*33.7*
long-term	**640.6**	**558.7**	**–**	**–**	**1,199.3**
Tranche A	*277.4*	*–*	*–*	*–*	*277.4*
Tranche B	*1.6*	*–*	*–*	*–*	*1.6*
Tranche C	*38.9*	*–*	*–*	*–*	*38.9*
Credit facilities with guarantees from BGK	*322.7*	*–*	*–*	*–*	*322.7*
Bonds issued to PFR	*–*	*375.2*	*–*	*–*	*375.2*
CCC0626 bonds	*–*	*183.5*	*–*	*–*	*183.5*

As at April 30th 2023, the Group classifies the PLN 51.1m liability under overdraft/revolving credit facility (PLN 200.1m as at January 31st 2023) as non-current – the Group's overdraft/revolving credit facility agreements have been concluded with a prepayment option. However, the Group is not exercising that option and since the scheduled repayment falls more than 12 months after the reporting date, the related liabilities are presented in the non-current portion.

The CCC Group's financing agreements were amended during the three months to April 30th 2023. For more information, see the 'Going concern' section.

	FINANCING OF THE CCC BUSINESS UNIT		FINANCING OF THE MODIVO BUSINESS UNIT		TOTAL
	BORROWINGS	BONDS	CREDIT FACILITIES	BONDS	
As at Feb 1 2022	**1,132.3**	**560.9**	**253.4**	**513.0**	**2,459.6**
short-term	**288.3**	**3.3**	**253.4**	**–**	**545.0**
long-term	**844.0**	**557.6**	**–**	**513.0**	**1,914.6**
Proceeds from debt contracted					
- financing received	67.3	–	–	–	67.3
Interest accrued	101.5	63.7	11.1	116.8	293.1
Debt-related payments					
- principal payments	-41.7	–	-103.2	–	-144.9
- interest paid	-100.3	-42.0	-11.9	–	-154.2
Increase due to change in overdraft facility amount	–	–	80.1	–	80.1
Decrease due to change in overdraft facility amount	-92.3	–	–	–	-92.3
Other non-cash changes	20.4	–	–	–	20.4
As at Jan 31 2023	**1,084.8**	**581.5**	**230.1**	**629.8**	**2,526.2**
short-term	**272.4**	**23.4**	**230.1**	**629.8**	**1,155.7**
Tranche A	*66.5*	–	–	–	*66.5*
Tranche B	*54.3*	–	–	–	*54.3*
Tranche C	*87.5*	–	–	–	*87.5*
Loan	*19.4*	–	–	–	*19.4*
Credit facilities with guarantees from BGK	*41.0*	–	–	–	*41.0*
Other (other credit facilities; credit cards)	*3.7*	–	*230.1*	–	*233.8*
Bonds issued to PFR	–	*1.5*	–	–	*1.5*
Bonds issued to Softbank	–	–	–	*629.8*	*629.8*
CCC0626 bonds	–	*21.9*	–	–	*21.9*
long-term	**812.4**	**558.1**	**–**	**–**	**1,370.5**
Tranche A	*285.1*	–	–	–	*285.1*
Tranche B	*151.3*	–	–	–	*151.3*
Tranche C	*38.7*	–	–	–	*38.7*
Credit facilities with guarantees from BGK	*337.3*	–	–	–	*337.3*
Bonds issued to PFR	–	*368.7*	–	–	*368.7*
CCC0626 bonds	–	*189.4*	–	–	*189.4*

In connection with its existing debt, the Group is exposed to interest rate risk, currency risk, and liquidity risk.

6. ACQUISITION OF SUBSIDIARIES AND ASSOCIATES

On February 8th 2023, following fulfilment of the conditions precedent under a preliminary share purchase agreement, the CCC Group acquired control of CCC Ukraina Sp. z o.o. of Lviv as part of a transaction to settle the CCC Group's claims against CCC Ukraina Sp. z o.o.'s existing shareholder. In the transaction, CCC S.A. acquired 75.1% of shares in CCC Ukraina Sp. z o.o. for a price of PLN 23.8m, which was paid on a non-cash basis through an offset of claims between a CCC Group entity and the existing shareholder of CCC Ukraina Sp. z o.o.
Under the agreement signed between the parties, the CCC Group has the right to purchase, and the existing shareholder has the right to sell, the remaining shareholding in CCC Ukraina Sp z o.o., i.e. 23.9% of its shares, following approval of the financial statements of CCC Ukraina Sp z o.o. for the financial year ended January 31st 2028, at a price equal to six times EBITDA for the year ended January 31st 2028 multiplied by the 23.9% interest. As the Group has the right, but not the obligation, to purchase the remaining shareholding, no liabilities were recognised on this account.
Presented below is CCC Ukraina Sp. z o.o.'s balance-sheet data as at the acquisition date, i.e. February 8th 2023, translated at the exchange rate effective on February 8th 2023 (UAH 1=PLN 0.1258).

The transaction will be finally accounted for in the Group's consolidated financial statements for the first half of 2023, as discussed in the 'Impairment of property, plant and equipment, intangible assets, goodwill and rights-of-use assets' section of General information.

Recognised amounts of identifiable acquired assets and liabilities (PLNm) as at February 8th 2023	CCC Ukraina Sp. z o.o.
Non-current assets	
Intangible assets	0.1
Property, plant and equipment – leasehold improvements	5.3
Property, plant and equipment – manufacturing and distribution	0.1
Right-of-use assets	20.1
Deferred tax assets	1.1
Total non-current assets	**26.7**
Current assets	
Inventories	10.0
Trade receivables	–
Other receivables	1.3
Cash and cash equivalents	1.8
Total current assets	**13.1**
Total assets	**39.8**
Non-current liabilities	
Lease liabilities	15.4
Total non-current liabilities	**15.4**
Current liabilities	
Trade payables	2.9
Other liabilities	0.5
Provisions	0.1
Lease liabilities	4.8
Total current liabilities	**8.3**
Total liabilities	**23.6**
Net assets	**16.2**
Net assets attributable to acquired shares	12.2
Consideration for acquisition	23.8
Goodwill determined	**11.6**

7. EVENTS AFTER THE REPORTING DATE

Pursuant to resolutions of the Extraordinary General Meeting of CCC S.A. of November 17th 2022, on May 9th 2023 the share capital of CCC S.A. was increased through the issue of 14 million shares with a par value of PLN 0.1 and an issue price of PLN 36.11. The issue proceeds amounted to PLN 505.5m. The second portion of the proceeds from the share capital increase, totalling PLN 293.2m, was paid on May 9th 2023.

On May 11th 2023, Marcin Czyczerski resigned as President and Member of the Company's Management Board, with effect as of May 11th 2023, due to his appointment as President of the Management Board of Modivo S.A.
On May 11th 2023, Dariusz Miłek resigned as Chairman and member of the Company's Supervisory Board, with effect from May 11th 2023. The reason for his resignation was that on May 11th 2023 he was appointed by the Supervisory Board as President of the Company's Management Board, with effect from May 12th 2023.
As the process to change the CCC Group's business model was completed and the Modivo Group entered a next phase of growth, the two companies appointed new CEOs with expertise that best matches the current needs.
On June 6th 2023, Adam Holewa resigned as Vice President and member of the Company's Management Board, with effect from June 12th 2023.
On June 12th 2023, the Annual General Meeting appointed Marcin Stańko and Piotr Kamiński to the Supervisory Board. On the same day, the General Meeting appointed Wiesław Oleś as Chairman of the Supervisory Board.

On May 29th 2023 and May 31st 2023, the Group reduced its debt by PLN 50.5m as part of its commitment to lower debt by the end of 2023. The debt reduction was agreed in December 2022. As amending annexes were signed to an agreement with a bank syndicate and bilateral financing agreements secured by guarantees issued under a portfolio guarantee scheme of the PLG-FGK BGK Emergency Guarantee Fund (see Note 5.2 to the financial statements).

INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

FOR THE FIRST QUARTER OF 2023
from February 1st
to April 30th 2023

INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Continuing operations		
Revenue	591.3	546.2
Cost of sales	-402.3	-344.5
Gross profit	**189.0**	**201.7**
Costs of points of purchase and distribution	-160.2	-168.1
Administrative expenses	-19.3	-18.7
Other income	6.3	3.2
Other expenses	-1.6	-4.5
(Recognition) / Reversal of loss allowances (impairment losses on receivables)	0.3	–
Operating profit (loss)	**14.5**	**13.6**
Finance income	22.4	9.7
Impairment losses on shares	-14.6	–
Finance costs	-28.7	-31.6
Profit (loss) before tax	**-6.4**	**-8.3**
Income tax	2.5	-12.1
NET PROFIT/(LOSS)	**-3.9**	**-20.4**
Other comprehensive income	–	–
Total other comprehensive income, net	**–**	**–**
Total comprehensive income	**-3.9**	**-20.4**
Weighted average number of ordinary shares (million)	**55.3**	**54.9**
Basic earnings (loss) per share (PLN)	**-0.07**	**-0.37**
Diluted earnings (loss) per share (PLN)	**-0.07**	**-0.37**

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

	Apr 30 2023	Jan 31 2023
Intangible assets	4.7	5.1
Goodwill	48.8	48.8
Property, plant and equipment – leasehold improvements	275.0	274.6
Property, plant and equipment – distribution	202.3	205.1
Property, plant and equipment – other	68.3	69.2
Right-of-use assets	407.3	419.0
Deferred tax assets	43.8	39.9
Loans	1,155.2	980.1
Long-term investments	444.1	434.6
Lease receivables	99.1	107.7
Non-current assets	**2,748.6**	**2,584.1**
Inventories	401.8	381.7
Trade receivables	83.1	72.1
Income tax receivable	16.6	15.4
Loans	24.7	26.8
Other receivables	25.1	45.3
Cash and cash equivalents	73.1	38.0
Lease receivables	30.9	30.4
Current assets	**655.3**	**609.7**
TOTAL ASSETS	**3,403.9**	**3,193.8**
Liabilities under borrowings and bonds	813.7	807.2
Other non-current liabilities	2.2	2.3
Provisions	5.1	5.1
Grants received	15.1	15.1
Lease liabilities	481.6	509.9
Other non-current financial liabilities	6.3	6.5
Non-current liabilities	**1,324.0**	**1,346.1**
Liabilities under borrowings and bonds	45.6	55.0
Trade and other payables	190.3	171.1
Other liabilities	127.2	121.7
Provisions	71.9	63.6
Grants received	0.5	0.5
Lease liabilities	211.0	210.7
Current liabilities	**646.5**	**622.6**
TOTAL LIABILITIES	**1,970.5**	**1,968.7**
NET ASSETS	**1,433.4**	**1,225.1**
Equity		
Share capital	5.5	5.5
Share premium	1,360.2	1,148.0
Retained earnings	67.7	71.6
TOTAL EQUITY	**1,433.4**	**1,225.1**
TOTAL EQUITY AND LIABILITIES	**3,403.9**	**3,193.8**

INTERIM CONDENSED SEPARATE STATEMENT OF CASH FLOWS

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Profit (loss) before tax	**-6.4**	**-8.3**
Depreciation/amortisation	40.1	48.1
Impairment losses on property, plant and equipment, right-of-use assets, intangible assets and remeasurement to fair value of disposal group	14.6	–
(Gain)/loss from investing activities	0.2	1.6
Borrowing costs	27.4	20.1
Other adjustments to profit before tax	-58.9	8.0
Income tax paid	-2.6	-12.1
Cash flow before changes in working capital	**14.4**	**57.4**
Changes in working capital		
Change in inventories and inventory write-downs	-20.1	-5.4
Change in receivables	10.1	-44.1
Change in current liabilities, net of borrowings and bonds	32.9	52.1
Net cash flows from operating activities	**37.3**	**60.0**
Proceeds from sale of property, plant and equipment	–	0.3
Proceeds from settlement of leasehold improvements with landlords	5.6	11.1
Repayment of loans and payment of interest	8.4	0.2
Purchase of intangible assets and property, plant and equipment	-16.9	-14.3
Loans	-172.9	-31.0
Other cash provided by investing activities	7.4	4.2
Net cash flows from investing activities	**-168.4**	**-29.5**
Proceeds from borrowings	0.1	5.3
Proceeds from securities issues and contributions to equity	212.3	–
Lease payments	-36.0	-54.3
Interest paid	-9.9	-5.7
Repayment of borrowings	-0.4	–
Net cash flows from financing activities	**166.1**	**-54.7**
TOTAL CASH FLOWS	**35.1**	**-24.2**
Net increase/decrease in cash and cash equivalents	35.1	-24.2
Cash and cash equivalents at beginning of period	**38.0**	**126.1**
Cash and cash equivalents at end of period	**73.1**	**101.9**

INTERIM CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TOTAL EQUITY
As at Feb 1 2023	**5.5**	**1,148.0**	**71.6**	**1,225.1**
Net profit (loss) for period	–	–	-3.9	-3.9
Total comprehensive income	**–**	**–**	**-3.9**	**-3.9**
Share issue	–	212.2	–	212.2
Total transactions with owners	**–**	**212.2**	**–**	**212.2**
As at Apr 30 2023	**5.5**	**1,360.2**	**67.7**	**1,433.4**

	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TOTAL EQUITY
As at Feb 1 2022	**5.5**	**1,148.0**	**94.5**	**1,248.0**
Net profit (loss) for period	–	–	-20.4	-20.4
Total comprehensive income	**–**	**–**	**-20.4**	**-20.4**
Total transactions with owners	**–**	**–**	**–**	**–**
As at Apr 30 2022	**5.5**	**1,148.0**	**74.1**	**1,227.6**

8. GENERAL INFORMATION

Company name:	**CCC Spółka Akcyjna**
Registered office:	**ul. Strefowa 6, 59-101 Polkowice, Poland**
Registry court:	**District Court for Wrocław-Fabryczna in Wrocław, 9th Commercial Division of the National Court Register**
Entry in the National Court Register (KRS) No:	**0000211692**
Principal business:	**The Company's principal business activity according to the European Classification of Business Activities is wholesale and retail trade in clothing and footwear (EKD 5142).**
Management Board:	**President: Dariusz Miłek** **Vice President: Karol Półtorak** **Vice President: Igor Matus**

CCC S.A. (the "Company", the "parent"), the parent of the CCC Group, has been listed on the Warsaw Stock Exchange since 2004.

As at April 30th 2023, the CCC Group (the "CCC Group", the "Group") comprised the parent CCC S.A. of Poland, registered at ul. Strefowa 6 in Polkowice, and its subsidiaries.

On May 11th 2023, Marcin Czyczerski resigned as President of the Company's Management Board, with effect from May 11th 2023.

On May 11th 2023, Dariusz Miłek resigned as Chairman and member of the Company's Supervisory Board, with effect from May 11th 2023, and was appointed by the Company's Supervisory Board as President of the Company's Management Board.

On June 6th 2023, Adam Holewa resigned as Vice President and member of the Company's Management Board, with effect from June 12th 2023.

These interim condensed separate financial statements of CCC cover the three months ended April 30th 2023 and contain comparative data for the three months ended April 30th 2022 and as at January 30th 2023. The interim condensed separate statement of comprehensive income and notes to the statement of comprehensive income contain data for the three months ended April 30th 2023 and comparative data for the three months ended April 30th 2022, which has not been audited or reviewed by an auditor.

These interim condensed separate financial statements of the CCC Group for the three months ended April 30th 2023 were authorised for issue by the Management Board on June 14th 2023.

The Company is the parent of the CCC Group (the "CCC Group", the "Group"). The Company has also prepared interim condensed consolidated financial statements for the three months ended April 30th 2023, which were authorised for issue by the Management Board on June 14th 2023.

The interim condensed consolidated financial statements of the CCC Group have been prepared in accordance with IFRS. The statements are available at the Company's website.

The interim financial results may not be indicative of the Company's potential full-year financial results.

BASIS OF ACCOUNTING

These interim condensed separate financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as endorsed by the EU ("IAS 34").
These interim condensed separate financial statements do not include all the information and disclosures required to be given or made in full-year financial statements and should be read in conjunction with the Company's separate financial statements for the year ended January 31st 2023, authorised for issue on April 16th 2023.
These financial statements have been prepared on a historical cost basis, except for derivative financial instruments measured at fair value.
The data contained in these separate financial statements is presented in millions of Polish złoty, unless more accurate information is provided in specific cases. The functional and reporting currency is the Polish złoty (PLN).

GOING CONCERN

These separate financial statements have been prepared on the assumption that the Company and the CCC Group (the "Group") will continue as going concerns for the foreseeable future, i.e., for a period of at least 12 months from the reporting date.
Below in this note are presented important issues, including uncertainties concerning circumstances that may pose risks to the Group continuing as a going concern. These circumstances relate particularly to the burdens of the existing credit facility agreements and debt instruments of the CCC Business Unit (the CCC Group excluding the Modivo Group i.e. the Modivo S.A. Business Unit, in accordance with the terms of the New Financing Agreement (the Credit Facility Agreement of June 2nd 2021)). To address these burdens, in 2023 the CCC Group is implementing a plan to reduce and substantially or fully refinance the CCC Business Unit's debt.

As at April 30th 2023, the Company's current assets exceeded current liabilities by PLN 8.8m. The Company's operations are financed with financial instruments, including mainly credit facilities, loans and bonds. The debt balance under those instruments as at the reporting date was PLN 859.3m.

In 2021, following discussions with institutions financing the operations of the CCC Business Unit, long-term financing was provided under the New Financing Agreement (the Credit Facility Agreement of June 2nd 2021), with the original repayment date of Facility B falling on June 30th 2024. The New Financing Agreement permits the original repayment date to be extended by one year, that is until June 30th 2025, subject to the lenders' consent.

In the previous financial year, further amendments were made to the financing agreements of the Group, concerning both the CCC Business Unit and the Modivo Business Unit, as described in more detail in the consolidated financial statements of the CCC Group for 2022. The existing credit facility agreements provide a stable source of finance for the Group.
The financing agreements of the Group, including the CCC Business Unit and the Modivo Business Unit, are described in more detail in the 'Management of financial resources and liquidity' section of the Directors' Report on the operations of the CCC Group for 2022.

The execution of annexes to the New Financing Agreement and the Common Terms Agreement, as well as the extension of bilateral financing with guarantees provided under Bank Gospodarstwa Krajowego's Emergency Guarantee Fund and additional financing documents between CCC S.A., its subsidiaries and financial institutions, were part of the CCC Business Unit's financing renewal efforts aimed at ensuring a stable long-term financing level. As part of its financing renewal efforts, the CCC Business Unit also pledged to reduce its debt by PLN 320.0m by the end of 2023. As part of the agreed additional repayments, the CCC Business Unit reduced its financing limits by PLN 50.0m, as announced in Current Report No. 39/2022 of December 21st 2022, which was followed by another reduction of PLN 50.0m, as announced in Current Report No. 32/2023 of May 31st 2023.

In response to certain major developments in its external environment occurring in 2020 and 2021, the Management Board resolved to update the Group's corporate strategy, which was adopted and published in November 2021. The GO.25 Everything Fashion Omnichannel strategy and its key objectives to be delivered by 2025 are discussed at length in the annual Directors' Report on the Group's operations in 2021 in the section 'CCC Group's strategy. Execution and growth plans.'

An element of the strategy for 2023 is an Annual Budget approved by the Supervisory Board. It was prepared taking into account certain macroeconomic estimates, including the inflation rate of 9.2% based on the available market analyses and close to the state budget assumption for 2023. The key foreign exchange rates included in the budget were the EUR/PLN and USD/PLN exchange rates, assumed at 4.7 and 4.5, respectively. The average level of the key reference rate (1M WIBOR), determining the CCC Group's borrowing cost, was estimated based on internal analyses at 6.34%. For the time horizon extending beyond 2023, the Group relies on a long-term financial model.

Implementation and delivery of all the proposed measures, objectives, plans and financial projections are subject to numerous future risks and uncertainties, particularly with regard to the implementation of the Group's Annual Financial Plan for 2023 and plans for future years, which include:

- Further developments in Ukraine and Russia, which could have a significant, yet still difficult to predict, impact on many aspects of the business and its external environment described below;
- Macroeconomic risks, including general price growth in the economy affecting the prices of merchandise, services, salaries and wages, capital expenditure amounts, as well as a rise in operating expenses, especially in transport and logistics;
- Decline in consumer demand for products offered by the Group as a result of changing macroeconomic conditions (rising inflation, interest rates affecting borrowing costs and unemployment levels, falling real wages, etc.), as well as the Group's potential decisions to raise the prices of merchandise;
- Exchange rate movements affecting the performance of foreign operations and the cost of goods purchase, as well as rental costs;
- Fiercer competition in the market environment, especially in terms of product prices having an effect on the results generated in the course of day-to-day operations;
- Occurrence of unplanned and/or unforeseen changes in fashion trends and weather conditions;
- Changes in consumer behaviour due to the migration processes or postponement of purchasing decisions;
- Materialisation of operational risks, which may disrupt business continuity;
- Volatility on the financial markets, which may prevent the initial public offering of Modivo S.A. shares to be carried out as planned.

The risks and extraordinary circumstances identified above are a source of significant uncertainty regarding the delivery of the financial plans in the 12 months from the reporting date, including compliance with the financial covenants under the agreements financing the Group's operations, and thus also the Company's and the Group's ability to continue as a going concern.

Under the financing agreements concluded by the Group, the Group is required to comply with certain financial covenants, separately for the CCC Business Unit and for the Modivo Business Unit, which were complied with in the financial year ended January 31st 2023 and as at that date and also as at April 30th 2023. Based on the Annual Budget for 2023 prepared by the Management Board and plans for subsequent reporting periods, to the best of its knowledge and belief, and also subject to the possible implementation of measures described below, the Group is in compliance with the covenants set out in the agreements (including for the CCC Business Unit: the reported EBITDA for individual interim periods and for the full year and net exposure/EBITDA, DSCR or DSCR with cash ratios and capital expenditure; and for the Modivo Business Unit: year-end net debt/EBITDA and net debt at July 31st 2023) and is duly performing its obligations. For more details concerning the covenants, see 'Covenants/financial ratios' in the 'Management of financial resources and liquidity' section of the Directors' Report.

The key element of the analysis of compliance with the financial covenants, including financial ratios, were parameters that could cause underperformance relative to the objectives set out in the Annual Budget for 2023 and subsequent reporting periods, and failure to achieve the financial ratios that the Group, including separately for the CCC Business Unit and for the Modivo Business Unit, is required to comply with under its financing agreements. For that purpose, the Management Board has prepared a detailed analysis of the Annual Budget's sensitivity over the next 12 months, as well as scenarios of alternative measures, calculated the expected values of the financial ratios and compared them with the expectations of the banks and other institutions financing the Group's operations, taking into account the risks, events and actions described below.

With respect to the CCC Business Unit, the Management Board's detailed analysis of the Annual Budget's sensitivity over the next 12 months indicated that if any the following key parameters changes over the year relative to the assumptions made in the Annual Budget as follows (ceteris paribus):

- average annual inflation increases by 5pp;
- average annual PLN exchange rate weakens by PLN 0.20 relative to the main currencies (EUR and USD);
- margin falls by 4.0pp (on a 15% decline in sales, taking into account the effect of a decrease in variable costs and available reductions in other costs);
- average annual 1M WIBOR changes by up to 2pp;

the financial covenants as at the successive testing dates will be achieved as required by the financing agreements.

In the Management Board's opinion, a number of measures are available to offset the potential adverse effect of the risks listed above on the Group's financial performance, including separately for the CCC Business Unit and for the Modivo Business Unit. Such measures include cost savings in relation to the Annual Budget as well as further working capital optimisation. A factor significantly contributing to mitigating these risks is the share capital increase in CCC S.A., which is to deleverage the business, as described below.

Pursuant to resolutions of the Extraordinary General Meeting of CCC S.A. of November 17th 2022 convened at the request of the Company's main shareholder Ultro S.a.r.l. (a subsidiary of Dariusz Miłek), on May 9th 2023 the share capital of CCC S.A. was increased through the issue of 14 million shares with a par value of PLN 0.1 and an issue price of PLN 36.11. The issue proceeds amounted to PLN 505.5m, with PLN 212.3m paid to CCC S.A. on April 24th 2023, that is prior to the reporting date, and the balance received after the reporting date. The increase was registered with the National Court Register on May 9th 2023. The share issue proceeds will be used to optimise the financing structure in view of high interest rates and the aim of reducing the Group's debt levels.

As regards the Modivo Business Unit, most of the debt financing are bonds convertible into Modivo S.A. shares issued to SVF II Motion Subco (DE) LLC, a Softbank Group company, redeemable on the third anniversary of the issue date (August 23rd 2024), unless previously converted into shares provided that Modivo S.A. carries out an initial public offering of its shares, or repaid. The bonds are presented under current liabilities because of the planned IPO and, if the IPO is carried out, their mandatory conversion into shares. With respect to the bank financing of the Modivo Business Unit maturing in 2023, the Management Board of the Modivo Business Unit took steps to extend its availability and, on April 13th 2023, Modivo S.A. received a binding offer from Bank Polska Kasa Opieki S.A. to extend the availability period of the multi-purpose credit facility up to a total amount of PLN 260m contracted on October 26th 2017, its other terms and conditions unchanged, for another 12-month period, i.e. until April 29th 2024. The extension of the availability period of the credit facility took effect on April 26th 2023.

Later in the year, the Management Board of the Modivo Business Unit additionally intends to renew the PLN 180m financing from PKO BP maturing on November 21st 2023. During the financial year, the reverse factoring agreements will also be extended: reverse factoring facility of PLN 180.0m (renewal in 2023 for PLN 150.0m, including PLN 50.0m in products secured by BGK guarantees) from PEKAO S.A. and reverse factoring facility of PLN 140.0m from PKO BP, including a PLN 60.0m limit secured by a guarantee under the BGK Liquidity Guarantee Fund.

In addition, as part of the deleveraging plan, the Management Board of CCC S.A. took steps to raise capital by way of a leaseback of selected items of property, plant and equipment owned by the CCC Group companies (as described in detail in Note 6.8. 'Events after the reporting date' in the consolidated financial statements of the CCC Group for 2022). The Management Board also upholds its plan to carry out an initial public offering of Modivo shares.

In conclusion, despite the risks and exceptional circumstances mentioned above, based on the Annual Plan for 2023 and plans for subsequent reporting periods, including the analyses and scenarios of alternative measures described above, and considering the execution of the agreements changing the financial ratios and extending the availability of the Company's and the Group's financing, the Company's Management Board believes that adequate preventive measures have been taken or provided for to ensure that these risks are mitigated and the Company's and the Group's plans are carried out, and has therefore drawn up the accompanying financial statements on a going concern basis.

EFFECT OF CHANGES IN THE ECONOMIC SITUATION ON THE VALUATION OF ASSETS AND LIABILITIES OF CCC S.A.

Inventory write-downs
For more information, see Note 11.4.

Impairment losses on shares
Indications of impairment of shares in subsidiaries and associates were assessed as at April 30th 2023, and no need to test the above assets for impairment was identified. As regards the acquisition of CCC Ukraina Sp. z o.o., the Company is in the process of allocating the purchase price and assessing potential impairment, having recognised preliminary estimates. Thus, the value of shares in CCC Ukraina Sp. z o.o. recognised as the reporting date may be subject to change.

Expected credit losses (ECL)
The Company assesses expected credit losses ("ECL") associated with financial instruments measured at amortised cost and fair value through other comprehensive income, regardless of whether there is any indication of impairment.
With respect to short-term trade receivables without a significant financing component, lease receivables and other receivables, the Company applies the simplified approach provided for in IFRS 9 and measures impairment losses in the amount of credit losses expected over the entire lifetime of a receivable since its initial recognition.
In the case of receivables for which a case-by-case approach is justified, the Company measures the probability of default based on market data published by Moody's.
The Company recognised no additional impairment losses on trade receivables, lease receivables, other receivables, loans (January 31st 2023: PLN 56.0m) or expected credit loss allowances on financial guarantees (January 31st 2023: PLN 44.3m) because the Company is of the opinion that there was no major change in the credit risk related to the individual financial instruments relative to January 31st 2023.

Impairment of property, plant and equipment, intangible assets, goodwill and rights-of-use assets
As at April 30th 2023, following an assessment of indications of impairment of property, plant and equipment, intangible assets, goodwill and right-of-use assets, no need to conduct an impairment test was identified. In the period for which these interim condensed separate financial statements were prepared, no impairment losses on the above assets were recognised.

Other accounting matters and issues
As at the date of these interim condensed separate financial statements, the Company did not identify any material risks related to potential breach of the terms of its existing trade and supply contracts.
As a result of the financing agreements executed with banks, bondholders and other institutions, the Company is required to comply with a number of covenants, as described in detail in the "Covenants/financial ratios" section of the Directors' Report on the Group's operations.

As at April 30th 2023, in the opinion of the Management Board none of the covenants were breached during the reporting period and until the date of authorisation of these financial statements for issue.
Based on its financial projections for subsequent reporting periods, the Company believes that the recognised deferred tax asset is recoverable.

STATEMENT OF ACCOUNTING POLICIES

The accounting policies applied by CCC S.A. did not change relative to those applied and disclosed in the full-year financial statements for the financial year February 1st 2022 – January 31st 2023, except for the application of new or amended standards and interpretations effective for annual periods beginning on or after February 1st 2023.

The duration of the Company is unlimited.

New and amended accounting standards

The amended standards and interpretations which apply for the first time in or after 2023 or do not have a material impact on the Group's consolidated financial statements:

- IFRS 14 Regulatory Deferral Accounts,
- amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture,
- amendments to IAS 1: Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants,
- amendments to IFRS 16 Leases: Lease liability in a sale and leaseback,
- amendments to IAS 7: Statement of cash flows and IFRS 7 Financial instruments: Disclosures: Supplier Finance Arrangements,
- Amendments to IAS 12: Income tax: International Tax Reform – Pillar Two Model Rules and Deferred Tax related to Assets and Liabilities arising from a Single Transaction,
- IFRS 17 Insurance Contracts (issued on May 18th 2017), including amendments to IFRS 17 (issued on June 25th 2020),
- amendments to IAS 8: Definition of Accounting Estimates – introducing a definition of accounting estimates.

The Group did not elect to early adopt any of the standards, interpretations or amendments that have been issued but are not yet effective in accordance with the European Union regulations.

FACTORS WITH MATERIAL BEARING ON THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

Statement of comprehensive income

Revenue

The year-on-year revenue growth of PLN 45.1m was driven mainly by the roll-out of the omnichannel model at the Company.

Cost of sales

Cost of sales grew 16.8% year on year. This came on the back of higher discounts (resale of the discounted AW collection and promotional efforts implemented in response to a long winter).

Costs of points of purchase and distribution

Costs of points of purchase and distribution decreased by 5% year on year, driven mainly by:

- PLN 6.0m decrease in salaries, wages and employee benefits expense, reflecting lower bonus costs,
- PLN 9.1m increase in other rental costs (sales-based rents and variable costs: utilities, electricity, etc.) attributable to renegotiation of lease contracts – shift from fixed rents to variable, sales-based rents,
- PLN 4.2m year-on-year reduction in other costs (costs of outsourcing and advisory services),
- PLN 2.5m increase in costs of transport services,
- lower depreciation expense on right-of-use assets (down PLN 8.7m) due to renegotiation of lease contracts.

Administrative expenses

The 3% year-on-year rise in administrative expenses was due to an increase in rental costs and costs of utilities by PLN 1.9m following renegotiation of lease contracts. In the reporting period, other costs by nature of expense fell by PLN 1.0m as a result of the adopted cost optimisation policy.

Other income and expenses

Other income rose by PLN 3.1m year on year, to PLN 6.3m, driven mainly by exchange differences on items other than debt.

Other expenses fell by PLN 2.9m year on year, to PLN 1.6m. The decrease in other expenses was mainly due to lower penalty and interest expenses and a lower loss on disposal of non-current assets. There was also a PLN 0.3m reversal of an impairment loss on trade receivables.

In effect, the operating result for the three months to April 30th 2023 was PLN 14.5m, up PLN 0.9m year on year.

Finance costs and income

In the reporting period, finance income was PLN 22.4m, comprising mainly interest on cash in current account and other interest income of PLN 10.5m and foreign exchange gains of PLN 10.9m.

Finance costs amounted to PLN 28.7m and included mainly interest expense on borrowings and bonds of PLN 22.8m and interest on leases of PLN 4.9m.

In the three months to April 30th 2023, the Company also recognised a PLN 14.6m impairment loss on shares in CCC Ukraina Sp. z o.o.

Net of income tax of PLN 2.5m, net loss posted by CCC S.A. for the three months to April 30th 2023 was PLN 3.9m, compared with a loss of PLN 20.4m for the three months ended April 30th 2022.

Statement of financial position

Assets
As at April 30th 2023, CCC S.A.'s total assets amounted to PLN 3,403.9m, up PLN 210.1m on January 31st 2023.

Non-current assets
As at April 30th 2023, non-current assets amounted to PLN 2,748.6m, up by PLN 164.5m on the end of the previous year.
Property, plant and equipment – investments in stores as at April 30th 2023 amounted to PLN 275.0m, up PLN 0.4m on January 31st 2023.
As at the reporting date, the right-of-use assets were PLN 407.3m, down PLN 11.7m on January 31st 2023. The change is attributable to settlements related to existing lease contracts, contract modifications, which result, among other things, in a switch from fixed to sales-based rents, leading to non-recognition of a right of use or a lease liability (variable lease payments which do not depend on an index or rate are not included in the measurement of a lease liability, but charged to profit or loss in the period when an event or condition triggering the payments occurs or is fulfilled).
As at the reporting date, long-term and short-term loans amounted to PLN 1,179.9m, up PLN 173.0m on the end of the previous year. The increase resulted from the advancement of additional tranches of loans to HalfPrice Sp. z o.o. (PLN 108.0m) and to CCC.eu Sp. z o.o. (PLN 64.9m).
Long-term and short-term lease receivables amounted to PLN 130.0m, down PLN 8.1m on January 31st 2023.
The acquisition of CCC Ukraina Sp. z o.o. was recognised in 2023. For details, see Note 6 to the interim condensed consolidated financial statements.

Current assets
Current assets rose PLN 45.6m relative to January 31st 2023. The change was attributable mainly to a PLN 35.1m increase in cash and a PLN 20.1m increase in inventories due to the seasonality of this balance-sheet item.
Trade receivables rose by PLN 11.0m year on year. A decrease in other receivables by PLN 20.2m relative to January 31st 2023 was mainly due to the offsetting of a loan advanced to Gino Rossi S.A. against an equity claim arising on the repurchase of Gino Rossi's own shares from CCC S.A., of PLN 19.4m.

Non-current liabilities
Other non-current financial liabilities of PLN 6.3m are related to the fair value measurement of the derivative instrument containing a potential obligation under an Equity Kicker related to the issue of bonds subscribed for by PFR Inwestycje Fundusz Inwestycyjny Zamknięty.

Current liabilities
Trade and other payables rose by PLN19.2m on January 31st 2023. The increase in current provisions resulted from an increase in the provision for returns and complaints.

Equity
As at April 30th 2023, equity stood at PLN 1,433.4m having increased PLN 208.3m on January 31st 2023. On May 9th 2023, the share capital of CCC S.A. was increased through the issue of 14 million shares with a par value of PLN 0.1 and an issue price of PLN 36.11. The issue proceeds amounted to PLN 505.5m, with PLN 212.3m paid to CCC S.A. on April 24th 2023, that is prior to the reporting date, and the balance received after the reporting date. The increase was registered with the National Court Register on May 9th 2023.

9. SEGMENTS

The Company applies the exemption for segment disclosures under IFRS 8 par. 4, therefore the analysis of the Company's operating segments was presented in the consolidated financial statements of the Group.
For detailed information on seasonality and periodic changes in sales, see the "Factors and events with a bearing on the performance of the CCC Group" section of the Directors' Report.

10. NOTES TO THE INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

10.1. COSTS BY NATURE OF EXPENSE

Feb 1–Apr 30 2023	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise sold	-402.4	–	–	-402.4
Raw material and consumables used	–	-4.2	-2.1	-6.3
Inventory write-downs	0.1	–	–	0.1
Salaries, wages and employee benefits	–	-61.5	-5.3	-66.8
Transport services	–	-8.0	-0.1	-8.1
Rental costs – utilities and other variable costs	–	-36.5	-2.4	-38.9
Advertising	–	-0.7	-0.1	-0.8
Depreciation/amortisation	–	-37.9	-2.6	-40.5
Taxes and charges	–	-4.2	-0.3	-4.5
Other costs by nature of expense	–	-7.2	-6.4	-13.6
Total	**-402.3**	**-160.2**	**-19.3**	**-581.8**

Feb 1–Apr 30 2022	COST OF SALES	COSTS OF POINTS OF PURCHASE AND DISTRIBUTION	ADMINISTRATIVE EXPENSES	TOTAL
Cost of merchandise sold	-344.3	–	–	-344.3
Raw material and consumables used	-0.2	-4.7	-2.7	-7.6
Inventory write-downs	–	–	–	–
Salaries, wages and employee benefits	–	-67.5	-5.7	-73.2
Transport services	–	-5.5	–	-5.5
Rental costs – utilities and other variable costs	–	-27.4	-0.5	-27.9
Advertising	–	-1.1	-0.3	-1.4
Depreciation/amortisation	–	-46.6	-1.6	-48.2
Taxes and charges	–	-3.9	-0.5	-4.4
Other costs by nature of expense	–	-11.4	-7.4	-18.8
Total	**-344.5**	**-168.1**	**-18.7**	**-531.3**

10.2. OTHER INCOME AND EXPENSES, FINANCE INCOME AND COSTS

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Other expenses		
Loss on disposal of property, plant and equipment	-0.2	-1.5
Other	-1.4	-3.0
Total other expenses	**-1.6**	**-4.5**

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Other income		
Foreign exchange gains on items other than debt	1.4	0.2
Compensation	0.4	0.3
PFRON wage subsidies	–	0.8
Grants	0.1	0.2
Gain on settlement of contracts with landlords	0.7	0.8
Gain on settlement of lease contracts	0.9	0.2
Other	2.8	0.7
Total other income	**6.3**	**3.2**

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
(Recognition)/Reversal of loss allowances (impairment losses on receivables)		
(Recognition)/Reversal of impairment losses on trade receivables	0.3	–
(Recognition)/reversal of total loss allowances	**0.3**	**–**

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Finance costs		
Interest on borrowings and bonds	-22.8	-17.3
Interest on leases	-4.9	-2.8
Foreign exchange gains (losses)	–	-10.4
Commission fees paid	-0.2	-0.3
Guarantees received	-0.8	-0.8
Total finance costs	**-28.7**	**-31.6**

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Finance income		
Interest income on cash in current account and other interest income	10.5	7.9
Foreign exchange gains (losses)	10.9	–
Derivative financial instruments embedded in bonds issued to PFR − Equity Kicker	0.2	–
Guarantees and sureties provided	0.8	1.8
Total finance income	**22.4**	**9.7**

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022
Impairment losses on shares	-14.6	–
Total impairment losses on shares	**-14.6**	**–**

	Amount as at Feb 1 2023	Effect of measurement at fair value	Amount as at Apr 30 2023
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	6.5	-0.2	6.3
Total	**6.5**	**-0.2**	**6.3**

	Amount as at Feb 1 2022	Effect of measurement at fair value	Amount as at Jan 31 2023
Derivative financial instruments embedded in bonds issued to PFR – Equity Kicker	19.9	-13.4	6.5
Total	**19.9**	**-13.4**	**6.5**

11. NOTES TO THE INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

11.1. PROVISIONS

	PROVISION FOR JUBILEE AND RETIREMENT BENEFITS	PROVISION FOR RETURNS AND COMPLAINTS	EXPECTED CREDIT LOSS ALLOWANCE	TOTAL
As at Feb 1 2023	**7.2**	**5.6**	**55.9**	**68.7**
Recognised	–	13.9	–	13.9
Used	–	-5.6	–	-5.6
As at Apr 30 2023	**7.2**	**13.9**	**55.9**	**77.0**
short-term	2.1	13.9	55.9	71.9
long-term	5.1	–	–	5.1

	PROVISION FOR JUBILEE AND RETIREMENT BENEFITS	PROVISION FOR RETURNS AND COMPLAINTS	EXPECTED CREDIT LOSS ALLOWANCE	TOTAL
As at Feb 1 2022	**6.2**	**2.2**	**44.3**	**52.7**
Recognised	1.0	5.6	11.6	18.2
Used	–	-2.2	–	-2.2
As at Jan 31 2023	**7.2**	**5.6**	**55.9**	**68.7**
short-term	2.1	5.6	55.9	63.6
long-term	5.1	–	–	5.1

11.2. DEFERRED TAX ASSETS AND LIABILITIES

unaudited, unreviewed	Apr 30 2023	RECOGNISED / (CHARGED) ON PROFIT OR LOSS	Jan 31 2023
Assets			
Impairment of assets	0.3	-1.7	2.0
Provisions for liabilities	14.7	-2.2	16.9
Other	9.0	3.3	5.7
Accelerated tax depreciation of property, plant and equipment	1.1	0.1	1.0
Measurement of lease contracts	23.8	-0.1	23.9
Measurement of financial instruments	2.6	4.0	-1.4
Total before offset	**51.5**	**3.4**	**48.1**
Liabilities			
Other	2.8	-0.6	3.4
Settlement under contracts with landlords	4.9	0.1	4.8
Total before offset	**7.7**	**-0.5**	**8.2**
Offset	-7.7	0.5	-8.2
Deferred tax balances as disclosed in statement of financial position			
Assets	43.8	3.9	39.9
Liabilities	–	–	–

unaudited, unreviewed	Jan 31 2023	RECOGNISED / (CHARGED) ON PROFIT OR LOSS	Feb 1 2022
Assets			
Impairment of assets: inventories and receivables	2.0	0.9	1.1
Provisions for liabilities	16.9	6.3	10.6
Other	5.7	5.4	0.3
Accelerated tax depreciation of property, plant and equipment	1.0	0.3	0.7
Tax losses	–	-0.3	0.3
Measurement of lease contracts	23.9	-5.2	29.1
Measurement of financial instruments	-1.4	-1.4	–
Total before offset	**48.1**	**6.0**	**42.1**
Liabilities			
Other	3.4	2.0	1.4
Settlement under contracts with landlords	4.8	0.9	3.9
Total before offset	**8.2**	**2.9**	**5.3**
Offset	-8.2	-2.9	-5.3
Deferred tax balances as disclosed in statement of financial position			
Assets	39.9	3.1	36.8
Liabilities	–	–	–

11.3. CHANGE IN IMPAIRMENT LOSSES/WRITE-DOWNS

Impairment losses/ write-downs (PLNm)	Inventories	Trade receivables	Lease receivables	Loans	Interests in subsidiaries	Loan sureties of subsidiaries
As at Feb 1 2023	**7.3**	**1.9**	**3.3**	**196.6**	**74.1**	**55.9**
Increase	–	–	–	–	14.6	–
Used	0.1	–	–	–	–	–
Reversed	-0.1	-0.3	–	–	–	–
As at Apr 30 2023	**7.3**	**1.6**	**3.3**	**196.6**	**88.7**	**55.9**

Impairment losses/ write-downs (PLNm)	Inventories	Trade receivables	Lease receivables	Loans	Interests in subsidiaries	Loan sureties of subsidiaries
As at Feb 1 2022	**3.4**	**1.1**	**–**	**163.7**	**74.1**	**44.3**
Increase	7.9	2.1	3.3	32.9	–	11.6
Used	-4.0	-0.2	–	–	–	–
Reversed	–	-1.1	–	–	–	–
As at Jan 31 2023	**7.3**	**1.9**	**3.3**	**196.6**	**74.1**	**55.9**

12. DEBT; CAPITAL AND LIQUIDITY MANAGEMENT

12.1. CAPITAL MANAGEMENT

The purpose of capital risk management is to protect the Company's ability to continue its operations so as to ensure a return on capital for the shareholders and benefits for other stakeholders, and to maintain a cost-optimised capital structure.

In recommending the amount of profit distribution, the Management Board will take into account the financial condition and liquidity position of the CCC Group, its existing and future liabilities (including potential restrictions under credit facility agreements and debt instruments in issue), as well as the assessment of the CCC Group's prospects in specific market and macroeconomic conditions. In accordance with the Group's policy, the amount of dividend may not be lower than 33% or higher than 66% of the Group's consolidated net profit attributable to owners of the parent, provided that the ratio of net debt to EBITDA (understood as operating profit (loss) before depreciation and amortisation) as at the end of the financial year for which the dividend is to be distributed is less than 3.0.

Under the New Financing Agreement, dividend may be paid on satisfaction of certain conditions, including: the Net Exposure / EBITDA ratio for the CCC Business Unit (the CCC Group excluding the Modivo Group i.e. the Modivo Business Unit) lower than 2.5, with the proviso that the dividend may not be paid earlier than two years after the execution of the said agreement. For detailed information on the dividend policy and covenants, refer to the annual Directors' Report on the Group's operations. To maintain or adjust the capital structure, the Group may adjust the amount of dividends declared to be paid to shareholders, return capital to shareholders, issue new shares or sell assets in order to reduce debt. Similarly to other entities in the industry, the Company monitors its capital using the debt ratio. The ratio is calculated as net debt to total equity.

Net debt is calculated as total borrowings (comprising short- and long-term credit facilities and bonds issued as disclosed in the separate statement of financial position) less cash and cash equivalents. The total amount of capital is calculated as the sum of the equity disclosed in the statement of financial position and the net debt.

12.2. DEBT UNDER BORROWINGS AND NOTES

The following note presents data on the Company's borrowings and bonds in issue.

unaudited, unreviewed	LIABILITIES UNDER BORROWINGS AND BONDS			
	BANK BORROWINGS	OTHER BORROWINGS	BONDS	TOTAL
As at Feb 1 2023	**249.2**	**401.7**	**211.3**	**862.2**
short-term	0.1	33.0	21.9	55.0
long-term	249.1	368.7	189.4	807.2
As at Feb 1 2023	**249.2**	**401.7**	**211.3**	**862.2**
Proceeds from debt contracted				
Interest accrued	5.8	10.7	6.3	22.8
Debt-related payments				
- principal payments	–	–	-0.4	-0.4
- interest paid	-5.7	–	–	-5.7
Other non-cash changes	0.1	-19.7	–	-19.6
As at Apr 30 2023	**249.4**	**392.7**	**217.2**	**859.3**
short-term	**0.2**	**17.6**	**27.8**	**45.6**
CCC0626 bond	–	–	*27.8*	*27.8*
Borrowings from subsidiaries	–	*17.6*	–	*17.6*
Other	*0.2*	–	–	*0.2*
long-term	**249.2**	**375.1**	**189.4**	**813.7**
Credit facility with surety from BGK	*249.2*	–	–	*249.2*
CCC0626 bond	–	–	*189.4*	*189.4*
Borrowings from subsidiaries	–	*375.1*	–	*375.1*

audited	LIABILITIES UNDER BORROWINGS AND BONDS			
	BANK BORROWINGS	OTHER BORROWINGS	BONDS	TOTAL
As at Feb 1 2022	**251.0**	**383.8**	**211.4**	**846.2**
short-term	251.0	19.1	1.4	271.5
long-term	–	364.7	210.0	574.7
As at Feb 1 2022	**251.0**	**383.8**	**211.4**	**846.2**
Proceeds from debt contracted				
- financing received	–	14.0	–	14.0
- transaction costs	-1.0	–	-1.1	-2.1
Interest accrued	19.4	45.7	20.9	86.0
Debt-related payments				
- interest paid	-20.3	-22.3	-19.9	-62.5
Other non-cash changes	–	-19.5	–	-19.5
As at Jan 31 2023	**249.2**	**401.7**	**211.3**	**862.2**
short-term	**0.1**	**33.0**	**21.9**	**55.0**
CCC0626 bond	–	–	*21.9*	*21.9*
Borrowings from subsidiaries	–	*33.0*	–	*33.0*
Other	*0.1*	–	–	*0.1*
long-term	**249.1**	**368.7**	**189.4**	**807.2**
Credit facility with surety from BGK	*249.1*	–	–	*249.1*
CCC0626 bond	–	–	*189.4*	*189.4*
Borrowings from subsidiaries	–	*368.7*	–	*368.7*

EARNINGS (LOSS) PER SHARE

In the three months ended April 30th 2023, basic and diluted loss per share was PLN 0.07, compared with basic and diluted loss per share of PLN 0.37 reported for the three months ended April 30th 2022.

13. EVENTS AFTER THE REPORTING DATE

Pursuant to resolutions of the Extraordinary General Meeting of CCC S.A. of November 17th 2022, on May 9th 2023 the share capital of CCC S.A. was increased through the issue of 14 million shares with a par value of PLN 0.1 and an issue price of PLN 36.11. The issue proceeds amounted to PLN 505.5m. The second portion of the proceeds from the share capital increase, totalling PLN 293.2m, was paid on May 9th 2023.

On May 11th 2023, Marcin Czyczerski resigned as President and Member of the Company's Management Board, with effect as of May 11th 2023, due to his appointment as President of the Management Board of Modivo S.A.
On May 11th 2023, Dariusz Miłek resigned as Chairman and member of the Company's Supervisory Board, with effect from May 11th 2023. The reason for his resignation was that on May 11th 2023 he was appointed by the Supervisory Board as President of the Company's Management Board, with effect from May 12th 2023.
On June 6th 2023, Adam Holewa resigned as Vice President and member of the Company's Management Board, with effect from June 12th 2023.
On June 12th 2023, the Annual General Meeting appointed Marcin Stańko and Piotr Kamiński to the Supervisory Board. On the same day, the General Meeting appointed Wiesław Oleś as Chairman of the Supervisory Board.

INTERIM CONDENSED CONSOLIDATED DIRECTORS’ REPORT ON THE OPERATIONS OF THE CCC GROUP

FOR THE FIRST QUARTER OF 2023

from February 1st
to April 30th 2023

ABOUT THIS REPORT

This interim condensed consolidated Directors' Report on the operations of the CCC Group in the three months ended April 30th 2023 contains financial and non-financial data, showing the results and position of the CCC Group on the Polish and European markets. This report is published in the PDF format, in Polish and English. It contains logos and photographs of registered proprietary brands available in CCC, eobuwie and HalfPrice stores.
This report covers the period from February 1st to April 30th 2023 and contains comparative data for the period from February 1st to April 30th 2022 and as at January 31st 2023. To keep the information as current as possible, this report includes a summary of events after the reporting date up to the date of its issue.

CCC IN NUMBERS

The data relate to changes in the period from February 1st to April 30th 2023 relative to the corresponding period of the previous year. Data calculated based on a table representing revenue from continuing operations by operating segments.

10%			
CHANGE IN THE GROUP'S REVENUE			
+6%	DIGITAL REVENUE GROWTH	53%	SHARE OF DIGITAL REVENUE
-6%	REVENUE GROWTH eobuwie (excluding MODIVO)	+48%	MODIVO REVENUE GROWTH (excluding eobuwie)
+4%	REVENUE GROWTH CCC	+212%	REVENUE GROWTH HalfPrice
45%	SHARE OF REVENUE FROM FOREIGN MARKETS	28 MARKETS	(21 offline) (19 online)

14. BUSINESS OF THE CCC GROUP

The CCC Group (the "CCC Group", the "Group") is a leader of the omnichannel footwear market in Poland and Central Europe. The Group's operations are currently segmented into the following business lines:

- **CCC**
- **eobuwie**
- **MODIVO**
- **HalfPrice**
- **DeeZee**

As at the reporting date, the CCC Group comprised a total of 992 offline chain stores located in modern shopping centres and malls, as well as a number of online sales platforms in Poland and 28 countries of Europe and the Middle East. CCC stores are renowned for their exciting, contemporary brands, many of which are achieving iconic status, including Lasocki, Gino Rossi, Jenny Fairy, Sprandi and DeeZee, as well as a wide range of licensed sports shoe and children's footwear brands. The CCC Group has a wide range of products, constantly expanded, picked and selected in response to the needs of consumer groups carefully targeted by particular brands. The CCC Group's portfolio is complemented by products offered by eobuwie, MODIVO, and HalfPrice.

15. BUSINESS PROFILE

The CCC Group is the leader of the CEE footwear market, actively expanding its product portfolio to additionally include clothes and accessories.

The Group focuses on Customers, offering them high quality, fashionable products. In line with its mission, the CCC Group's main objective is 'To unlock fashion for everybody, everywhere'.

The Group's business model is based on an omnichannel platform of five complementary business lines:
CCC, eobuwie, MODIVO, HalfPrice, and DeeZee. The omnichannel model is based on the overlapping of online and offline sales channels and free migration of Customers between those channels.
Expansion of the omnichannel platform is also supported by a number of facilities for customers, including express delivery, deferred payments, etc.

Products at brick-and-mortar stores are mainly sold under the CCC business line, which offers chiefly well-known private labels (Lasocki, Jenny Fairy, Gino Rossi and others) and under the new off-price concept called HalfPrice.
In the first quarter of 2023, the Group's revenue generated through the offline channel accounted for 47% of the total.

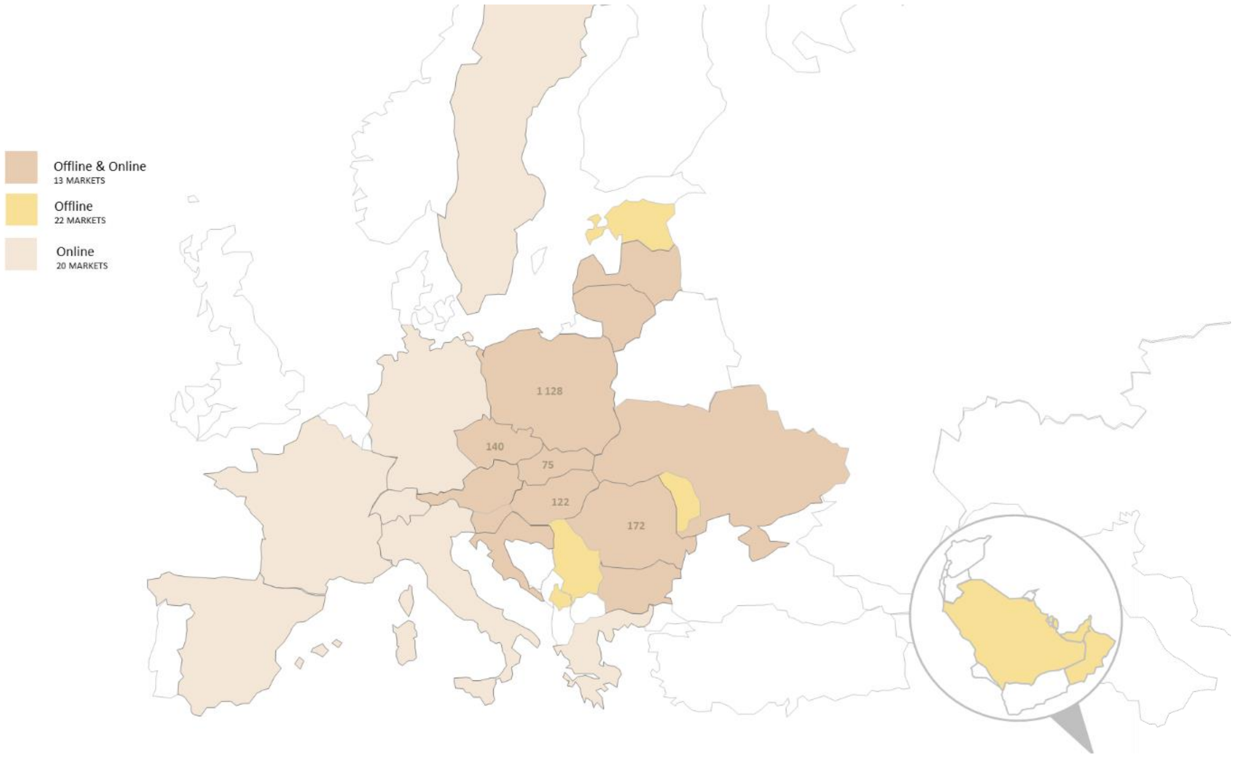
The Group is ramping up sales in the fast-growing e-commerce channel. The Group's revenue from this channel, accounting for 53% of the total, is generated through the CCC and HalfPrice online stores, as well as through the Group's pure online platforms, i.e. eobuwie and MODIVO (offering mainly third-party brands) and DeeZee.

In November 2021, the Company adopted a new business strategy called GO.25, under which the Group plans to triple its sales revenue (to approximately PLN 20bn) and deliver an EBITDA margin of 12% or more by 2025.
This will be achieved by, among other things, increasing the share of new product categories (other than footwear) in the offering to one third, increasing the share of online sales in total revenue to 60%, as well as increasing customer satisfaction measured by NPS (Net Promoter Score) by 10 points for each of the Group's five business lines.

The main driver of the Group's revenue growth in the coming years will be strong expansion of the off-price segment and further scaling up of the Modivo Group's business (including further growth of the marketplace service and increasing contribution of foreign markets to revenue).

The Group intends to grow its business in a responsible and sustainable manner by engaging in projects that promote a low-carbon circular economy, diversity and transparency.

Five countries in which the CCC Group earned the most revenue in February 1st to April 30th 2023 [PLNm]



16. KEY EVENTS FROM FEBRUARY 1ST TO APRIL 30TH 2023

Q1

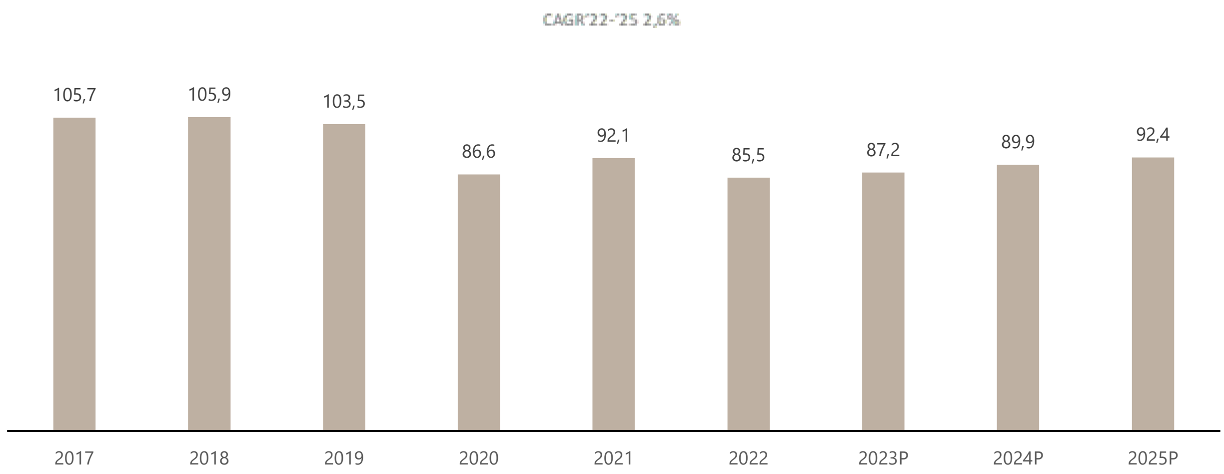
- Issue of 14 million Series M and Series L shares at a price of PLN 36.11 per share,
- A letter of intent signed for the sale and leaseback of warehouse assets in Polkowice for EUR 83m.

Find out more about developments important to the Group on the websites:
https://corporate.ccc.eu/news/aktualnosci,1
https://corporate.ccc.eu/raporty#pills-relacjeinwestorskie-raporty-zakladki-raporty-biezace-1-tab

17. MARKET ENVIRONMENT AND COMPETITION IN OUR KEY REGIONS

The main exogenous factors affecting the Group's business are the macroeconomic environment, industry outlook, and the competitive environment in the Group's key operating regions. For a detailed analysis of these macroeconomic factors, see *'Factors and events with bearing on the performance of the CCC Group/Macroeconomic growth in Poland and Central and Eastern Europe'*.
According to Statista forecasts, the European footwear market will grow at a CAGR of 2.6% (CAGR 2022–2025). The CCC Group's main sales market is the clothing and footwear market of Central and Eastern Europe (CEE). In 2022, the Group's share in the footwear retail market in the CEE region (comprising Poland, the Czech Republic, Hungary, Romania, Slovakia, Croatia, Slovenia, Bulgaria and Serbia) was close to 20%.

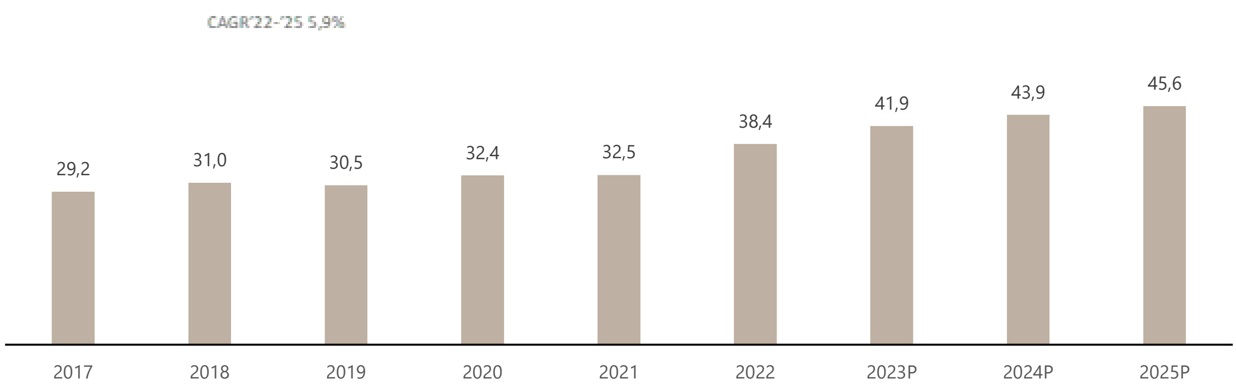
Value of the European footwear market (USDbn)



Source: Statista

Statista analysts expect unit footwear prices to grow at a CAGR of ca. 6% in 2022–2025. The strongest growth rates are expected for leather and textile footwear.

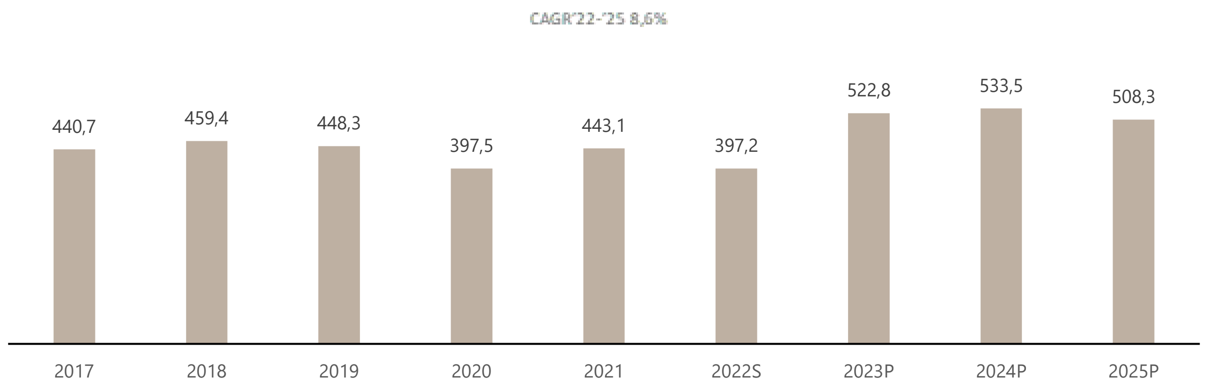
Average unit footwear price - Europe (USD)



Source: Statista

In 2025, the value of the European clothing market will be around USD 508.3bn, implying a CAGR of nearly 9% for 2022–2025, according to Statista.

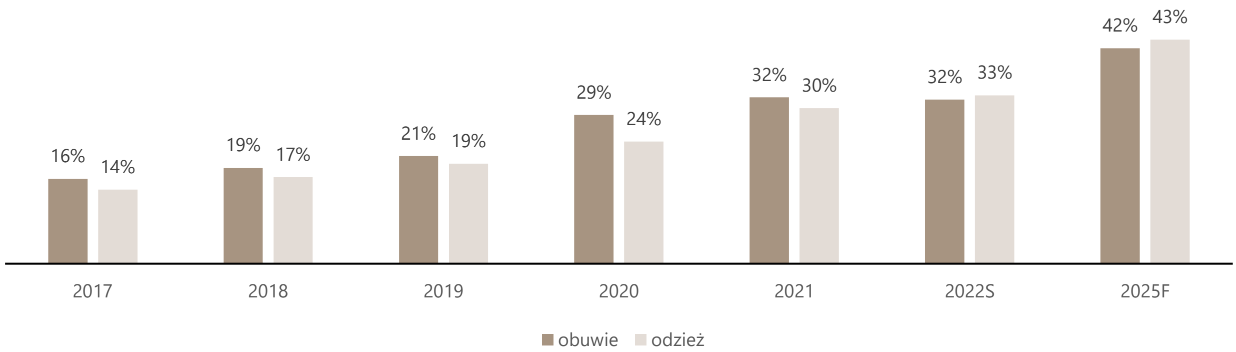
Value of the European clothing market (USDbn)



Source: Statista

Statitsta analysts expect e-commerce to further gain in prominence as a sales channel for footwear and clothing. Based on their forecasts, in 2025 the share of online in total revenue generated by footwear and clothes retailers will reach, respectively, 42% and 43%. This means a 10pp increase on 2022 for both variables.

Share of online in total sales



Source: Statista

GEOGRAPHICAL COVERAGE OF CCC GROUP SALES CHANNELS

Outside Poland, the Group operates in Central and Eastern Europe, Western Europe, the Baltic States, the Balkans and the Middle East. The Group's showrooms operate in large shopping centres or at attractive high-street locations.

CHAIN	INSTRUMENT	Apr 30 2023		Jan 31 2023	
		m^2	NUMBER	m^2	NUMBER
CCC	Poland	280,600	444	281,929	444
	Hungary	53,999	78	53,543	77
	Czech Republic	48,507	82	48,507	82
	Romania	48,456	76	48,340	76
	Slovakia	32,183	49	32,628	50
	Croatia	20,624	28	20,624	28
	Bulgaria	12,976	20	12,976	20
	Slovenia	11,295	16	11,763	17
	Serbia	10,339	13	11,050	14
	Ukraine	9,898	17	–	–
	Latvia	4,445	6	4,621	6
	Estonia	2,879	3	2,879	3
	Lithuania	1,420	2	1,420	2
TOTAL		**537,621**	**834**	**530,280**	**819**
HalfPrice	Poland	138,172	82	124,689	75
	Hungary	5,633	3	5,633	3
	Austria	5,038	3	5,038	3
	Czech Republic	6,838	4	5,000	3
	Slovakia	4,787	3	4,787	3
	Slovenia	4,752	3	3,515	2
	Croatia	1,955	1	1,955	1
	Romania	1,486	1	1,486	1
	Latvia	1,580	1	–	–
TOTAL		**170,241**	**101**	**152,103**	**91**
MODIVO	MODIVO	28,622	42	26,689	38
TOTAL OWN STORES		**736,484**	**977**	**709,072**	**948**

CHAIN	INSTRUMENT	Apr 30 2023		Jan 31 2023	
		m^2	NUMBER	m^2	NUMBER
CCC FRANCHISE	Ukraine	–	–	9,415	16
	UAE*	5,302	6	5,302	6
	Saudi Arabia	2,420	3	2,420	3
	Kosovo	1,958	2	1,958	2
	Oman	1,223	1	1,223	1
	Qatar	1,002	1	1,002	1
	Bahrain	929	1	929	1
	Moldova	740	1	740	1
	Latvia	–	–	–	–
	Estonia	–	–	–	–
	Lithuania	–	–	–	–
TOTAL FRANCHISE		**13,574**	**15**	**22,989**	**31**
TOTAL CCC GROUP		**750,058**	**992**	**732,061**	**979**

*United Arab Emirates

CHANGES IN EXCHANGE RATES

Part of the settlements of the CCC Group is denominated in foreign currencies. The USD and EUR exchange rates have an impact on the structure of revenue and costs. As the Group imports merchandise whose purchase prices are mainly denominated in USD, and also sells finished goods on foreign markets where selling prices are denominated in EUR, the Group is exposed to currency risk. The Group also provides loans denominated in foreign currencies.

PERIOD (USD/PLN)	HIGH	LOW	END OF PERIOD	MID
Feb 1–Apr 30 2023	4.4888	4.1541	4.1753	4.3054
Feb 1 2022– Jan 31 2023	5.0381	3.9218	4.3480	4.4873
Feb 1–Apr 30 2022	4.5722	3.9218	4.4072	4.2613

PERIOD (EUR/PLN)	HIGH	LOW	END OF PERIOD	MID
Feb 1–Apr 30 2023	4.7895	4.5887	4.5889	4.6605
Feb 1 2022– Jan 31 2023	4.9647	4.4879	4.7089	4.6975
Feb 1–Apr 30 2022	4.9647	4.4879	4.6582	4.6672

FACTORS AND EVENTS WITH BEARING ON THE PERFORMANCE OF THE CCC GROUP

MACROECONOMIC GROWTH IN POLAND AND CENTRAL AND EASTERN EUROPE

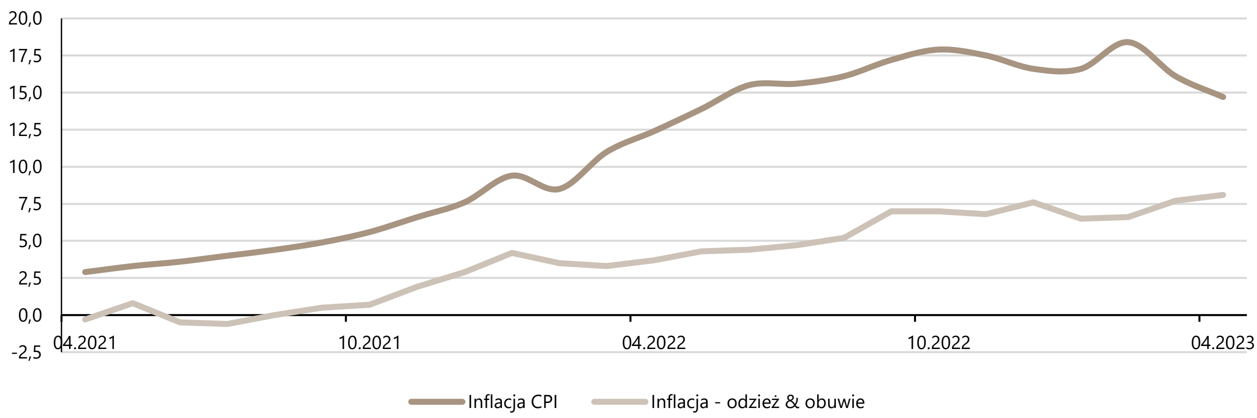
The CCC Group operates mainly on the markets of Central and Eastern Europe, with a clear dominance of the Polish market. As a result of the location of the Group's sales channels in this region, the condition of the CEE economies has a significant impact on the sales of the Group.

The main factors that influenced the financial results in the reporting period were:

- **change in disposable income of consumers, change in propensity for consumption, change of shopping preferences**

Inflation has been rising fast over the past few months.

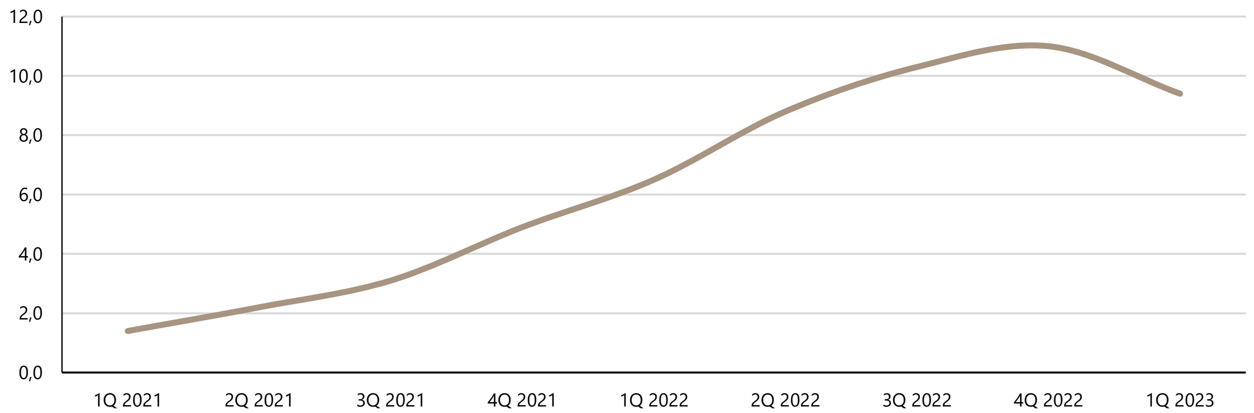
Inflation in Poland [%]



Source: NBP

Growing inflation changes the distribution of disposable income of consumers and consequently affects their shopping preferences. Customers tend to choose cheaper products and show higher price sensitivity. The Group makes every effort to ensure that the product offering is best tailored to customers' needs. Inflation for apparel and footwear has also been rising in recent months, albeit at a slower rate than the CPI.

Inflation in the European Union (HICP) [%]



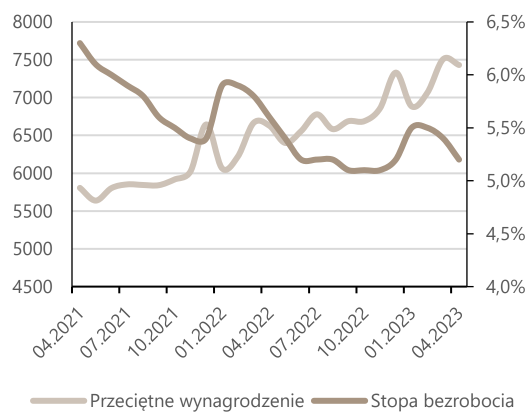
Source: EC

High inflation is seen across the European Union. According to European Commission data, the HICP inflation rate was approximately 9.4% for all member states in the first quarter of 2023.

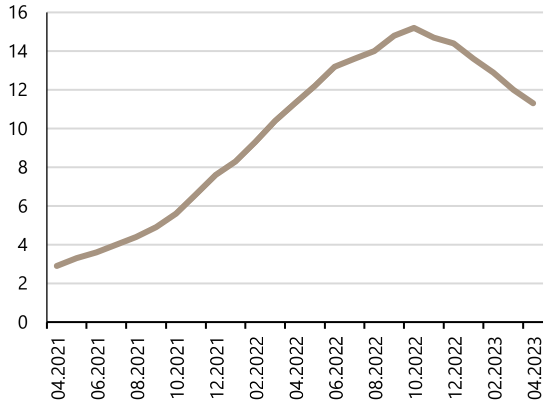
- **cost pressures**

The inflation's impact is also seen on the cost side. Since 2021, wages have been rising rapidly while unemployment remained relatively low. Such a situation leads to wage pressures.

Unemployment rate and wage growth [%]



Increase in construction and assembly prices [%]

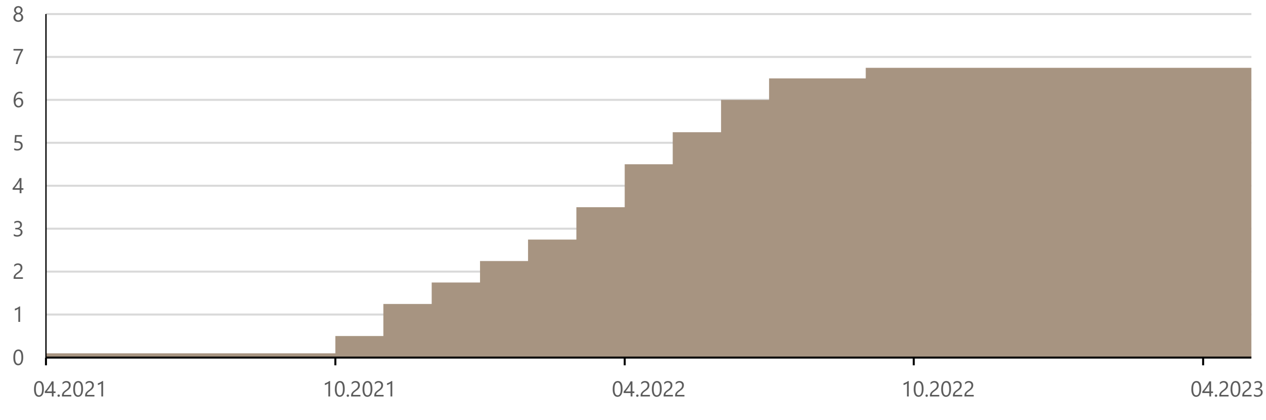


Source: Statistics Poland, National Bank of Poland

Since the second half of 2021, the prices of construction and assembly output have been growing rapidly, which mainly affected the costs and expenditure on the expansion of the offline sales chain. The growth in prices of construction and assembly output has been slightly decelerating since the end of 2022. The CCC Group takes numerous measures to mitigate the inflationary cost increase.

– **interest rate development**

Reference rate in Poland [%]

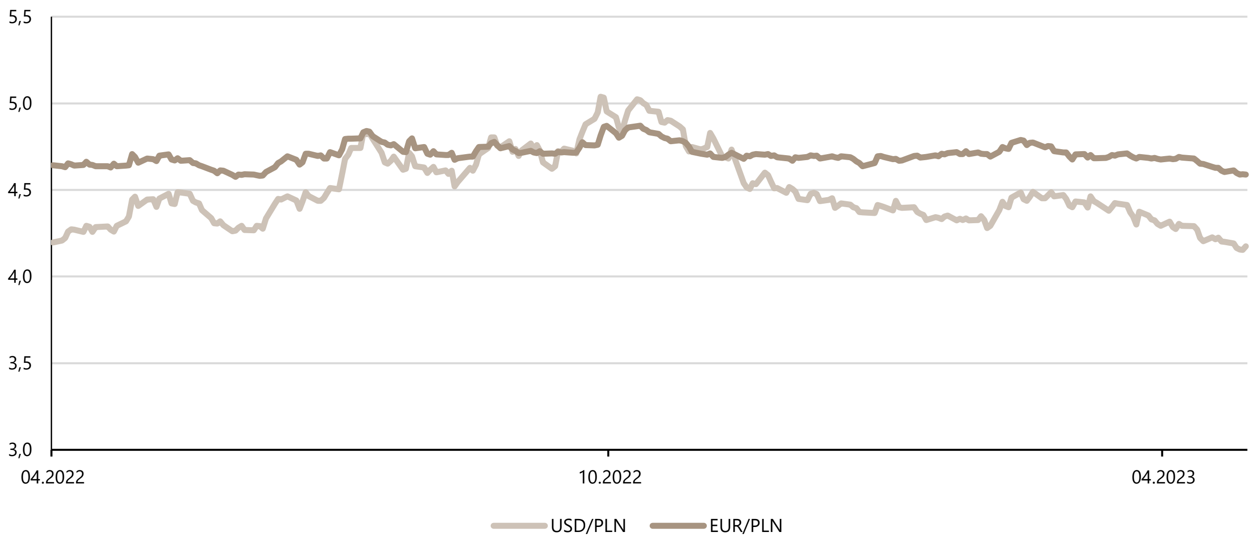


Source: NBP

Due to the strong growth of inflation in Poland, in October 2021 the Monetary Policy Council of the National Bank of Poland started a series of reference rate rises. In September 2022, the reference rate was increased to 6.75%, and has been maintained at that level since. The interest rate hikes lead to higher debt service costs for the Group.

– **foreign exchange**

EUR/PLN and USD/PLN exchange rates [PLN]



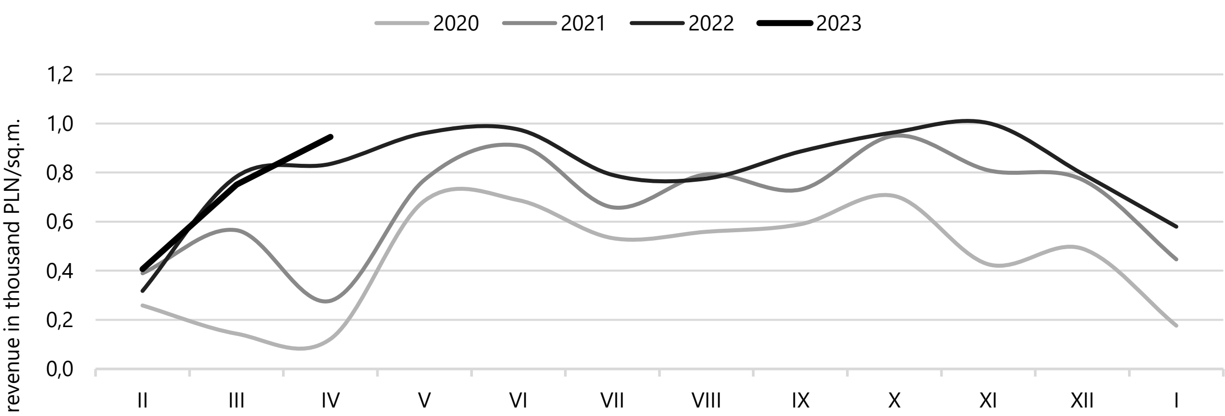
Source: NBP

In late 2021 and early 2022, the geopolitical situation contributed to a strengthening of foreign currencies – the euro and the US dollar – against the Polish złoty. The situation normalised in late 2022 and early 2023. The depreciation or appreciation of the złoty has an impact on gross margin (USD, EUR) and rental costs (EUR). The Group mitigates the impact of changes in foreign exchange rates on its performance by actively adjusting its pricing and discount policies. It also seeks to enter into contracts providing for flexible terms of lease of retail space, and some of its revenue is generated in the euro.

18. SEASONALITY

The weather and seasonality have a significant effect on the distribution of revenue during the financial year (peak demand falls in spring and autumn). Disruptive weather conditions can result in customers postponing purchasing decisions or in a shortened peak sales season. In 2020–2021, the seasonality of sales was disrupted by the effects of the global coronavirus pandemic and, in particular, by several rounds of administrative restrictions on retail trade through offline stores in most of the Group's markets.

Seasonality of revenue for CCC network in Poland in 2020–2023



19. OPERATIONAL DATA ON MODIVO GROUP SALES

KPI	Unit	Business line	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Share of mobile visits	%	eobuwie	78.8%	77.6%	79.1%	79.9%	80.5%	83.3%	83.4%
		MODIVO	77.7%	79.4%	79.3%	78.4%	79.1%	80.2%	81.2%
Conversion rate	%	eobuwie	2.2%	1.8%	1.7%	1.9%	2.3%	2.0%	1.7%
		MODIVO	1.5%	1.3%	1.6%	1.5%	1.8%	1.6%	1.5%
Active customers	'000	eobuwie	6,968.2	7,356.4	7,591.0	7,813.9	8,101.8	8,264.9	8,219.1
		MODIVO	722.8	878.9	1,200.3	1,386.0	1,669.0	1,908.1	2,164.5
Number of SKUs	'000	eobuwie	106,000.0	120,000.0	125,000.0	132,000.0	137,000.0	140,000.0	145,000.0
		MODIVO	53,000.0	64,000.0	75,000.0	91,000.0	103,000.0	130,000.0	117,000.0
		MODIVO + Marketplace	53,000.0	64,000.0	75,000.0	91,000.0	103,000.0	130,000.0	174,000.0

Definitions:
Share of mobile visits – share of visits via the mobile channel (including the tablet) in the total number of sessions.
Conversion rate – the total number of orders divided by the total number of sessions.
Active customers – the number of customers who have made at least one transaction in the last 12 months.
Average number of SKUs (Stock Keeping Units) – the average number of SKUs in the main warehouse during a quarter, rounded to the nearest thousand.

Growing share of mobile visits in eobuwie and MODIVO achieved through increased app adoption (dedicated promotional efforts, etc.). Continued investment in the app is justified by rising repeat rates and purchase frequency.

Conversion rates down in both business lines mainly on the back of a deterioration in customer sentiment. Improvement in conversion rates expected in subsequent months, supported by technological changes implemented on both platforms.

67% growth in MODIVO's customer base driven by growing platform recognition, assortment expansion and improved shopping experience (including through the implementation of new payment methods (BNPL, Buy Now, Pay Later, etc.) and shipments tailored to local markets).

MODIVO's range doubled over a year chiefly as a result of the marketplace launch (approximately 400 active sellers).

20. ANALYSIS OF SELECTED FINANCIAL AND OPERATING DATA OF THE CCC GROUP

20.1. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (KEY ITEMS)

REVENUE, COST OF SALES AND GROSS PROFIT

REVENUE

REVENUE [1]			
	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	Change (%)
CCC	848.4	819.7	3.5%
eobuwie	701.0	745.1	-5.9%
MODIVO	240.9	162.4	48.3%
HalfPrice	251.5	118.5	>100%
DeeZee	22.3	26.0	-14.2%
Total	**2,064.1**	**1,882.0**	**9.7%**

[1] Only revenue from external customers.

The revenue was affected by the change in sales at like-for-like stores, product mix expansion and changes resulting from the opening and closing of retail outlets. The breakdown of revenue into like-for-like sales and sales by newly opened or closed outlets is presented below.

LIKE-FOR-LIKE STORES

		LIKE-FOR-LIKE STORES [1]			Change (%)	OTHER STORES [2]		Change (%)
BUSINESS LINE	SEGMENT	NUMBER	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022		Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	
CCC	Retail	680.0	502.9	513.8	-2.1%	115.2	117.5	-2.0%
HalfPrice	Retail	35.0	91.5	71.5	28.0%	150.4	42.8	251.5%
Total		**715.0**	**594.4**	**585.3**	**1.6%**	**265.6**	**160.3**	**65.7%**

[1] Like-for-like stores are stores that operated without interruption in the financial year 2023 and in the comparative period of the financial year 2022.
[2] All other stores, including new stores opened in the current or previous year; stores closed in the current or previous year; and stores which temporarily suspended operations.

Year on year, there was a PLN 9.1m change in sales generated by like-for-like stores (up 1.6%).
A 28.0% increase was reported for the HalfPrice business line, whereas CCC stores recorded a drop of 2.1%.
The PLN 114.4m year-on-year growth in revenue generated by the offline segment was attributable to sales in like-for-like stores (up PLN 9.1m) and sales in other stores (PLN 105.3m).

As at the end of the reporting period (April 30th 2023), the average retail space was 693,800 m^2, up 69,600 m^2 year on year (HalfPrice: up 66,300 m^2; CCC: up 3,300 m^2).

GROSS PROFIT BY DISTRIBUTION CHANNEL

GROSS PROFIT			
	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	Change (%)
CCC	447.5	463.3	-3.4%
eobuwie	300.4	325.0	-7.6%
MODIVO	99.7	66.7	49.5%
HalfPrice	100.0	54.4	83.9%
DeeZee	11.2	13.4	-16.4%
Total	**958.8**	**922.8**	**3.9%**

EBIT			
	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	Change (%)
CCC	-41.8	-84.4	-50.5%
eobuwie	-4.6	47.1	<-100%
MODIVO	-4.4	-1.7	<-100%
HalfPrice	-17.4	-17.5	-0.7%
DeeZee	1.2	–	-
Total	**-67.0**	**-56.5**	**18.5%**

EBITDA			
	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	Change (%)
CCC	66.3	26.5	>100%
eobuwie	12.5	62.5	-88.5%
MODIVO	0.5	-0.1	<-100%
HalfPrice	7.9	0.1	>100%
DeeZee	1.4	0.3	>100%
Total	**88.6**	**89.3**	**-0.8%**

OPERATING COSTS
COSTS OF POINTS OF PURCHASE AND DISTRIBUTION

COSTS OF POINTS OF PURCHASE AND DISTRIBUTION			
	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	Change (%)
Salaries, wages and employee benefits	-246.6	-232.2	6.2%
Advertising	-217.3	-207.7	4.6%
Depreciation/amortisation	-141.9	-135.6	4.6%
Other costs	-87.2	-45.6	91.2%
Transport services	-110.1	-105.0	4.9%
Other rental costs – utilities and other variable costs	-85.4	-72.9	17.1%
Raw material and consumables used	-40.2	-46.7	-13.9%
Taxes and charges	-10.7	-8.3	28.9%
Total	**-939.4**	**-854.0**	**10.0%**

ADMINISTRATIVE EXPENSES

ADMINISTRATIVE EXPENSES			
	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	Change (%)
Salaries, wages and employee benefits	-47.0	-43.4	8.3%
Other costs	-22.9	-23.9	-4.2%
Depreciation/amortisation	-13.7	-10.2	34.3%
Raw material and consumables used	-7.4	-8.5	-12.9%
Other rental costs – utilities and other variable costs	-7.3	-6.0	21.7%
Taxes and charges	-1.1	-1.2	-8.3%
Advertising	-0.3	-0.4	-25.0%
Transport services	-0.2	–	-
Total	**-99.9**	**-93.6**	**6.7%**

EFFECT OF OTHER INCOME AND EXPENSES

OPERATING INCOME AND EXPENSES

In the reporting period, other expenses and other income attributable to continuing operations were PLN 17.4m and PLN 28.9m, respectively; on a net basis, the Group generated PLN 11.5m of other income, compared with PLN 31.1m of other expenses in the corresponding period of the previous year. The change was largely attributable to the recognition in the reporting period of foreign exchange gains on items other than debt (PLN 15.1m) and foreign exchange losses reported for the prior period (PLN 32.7m).

OPERATING PROFIT (LOSS)

Operating loss in the reporting period was PLN 67.0m. Year on year, the result decreased by PLN 10.5m. The change was led primarily by higher operating expenses, partially offset by higher revenue (up 9.7%). The increase in revenue and operating expenses was attributable mainly to the rollout of the Group's omnichannel model, further expansion of the HalfPrice segment, and a broader range of products available across segments.

FINANCE INCOME AND COSTS

In the reporting period, finance costs and finance income attributable to continuing operations were PLN 111.1m and PLN 24.0m, respectively; on a net basis, the Group generated PLN 87.1m of finance costs, compared with PLN 98.0m of finance costs in the corresponding period of 2022. The largest items of finance costs were interest expense on borrowings (PLN 84.1m, compared with PLN 64.0m in the same period of the previous year), and interest expense on leases (PLN 15.2m compared with PLN 9.0m in the same period last year). The largest item of finance income were foreign exchange gains of PLN 21.6m (in the current period only).

INCOME TAX

In the reporting period, income tax recognised in the statement of comprehensive income totalled PLN 2.1m.

NET PROFIT (LOSS)

After accounting for finance income and costs, loss allowances, share in the loss of an associate and income tax expense, net loss from continuing operations in the reporting period was PLN 152.0m, which represents a PLN 8.1m decrease year on year.

20.2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (OVERVIEW OF THE MAIN ITEMS)

	Apr 30 2023	Jan 31 2023	Change (%)
Non-current assets, including:	**3,609.6**	**3,601.3**	**0.2%**
Total property, plant and equipment	1,449.6	1,441.9	0.5%
Right-of-use assets	1,353.1	1,379.9	-1.9%
Deferred tax assets	193.3	184.1	5.0%
Current assets, including:	**3,735.2**	**3,462.8**	**7.9%**
Inventories	2,914.3	2,691.1	8.3%
Cash and cash equivalents	394.4	395.4	-0.3%
TOTAL ASSETS	**7,344.8**	**7,064.1**	**4.0%**
Non-current liabilities, including:	**2,507.5**	**2,741.4**	**-8.5%**
Bank borrowings and bonds	1,199.3	1,370.5	-12.5%
Lease liabilities	1,203.4	1,266.8	-5.0%
Current liabilities, including:	**4,188.5**	**3,740.0**	**12.0%**
Bank borrowings and bonds	1,066.1	1,155.7	-7.8%
Trade and other payables	1,899.7	1,389.5	36.7%
TOTAL LIABILITIES	**6,696.0**	**6,481.4**	**3.3%**
EQUITY	**648.8**	**582.7**	**11.3%**

INVENTORIES

INVENTORIES			
	Apr 30 2023	Jan 31 2023	change [% yoy]
CCC	1,050.1	1,044.8	0.5%
eobuwie	1,083.3	962.2	12.6%
MODIVO	363.1	335.7	8.2%
HalfPrice	398.3	328.3	21.3%
DeeZee	19.5	20.1	-3.0%
Total	**2,914.3**	**2,691.1**	**8.3%**

20.3. CONSOLIDATED STATEMENT OF CASH FLOWS (REVIEW OF THE MAIN ITEMS)

	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	Change (%)
Profit (loss) before tax from continuing operations	**-154.1**	**-154.5**	**-0.3%**
Adjustments	224.3	307.7	-27.1%
Income tax paid	-17.1	-20.7	-17.4%
Cash flow before changes in working capital	**53.1**	**91.2**	**-41.8%**
Changes in working capital	270.4	65.4	>100%
Cash flows from operating activities	**323.5**	**-135.1**	**<-100%**
Cash flows from investing activities	**-99.6**	**-55.4**	**79.8%**
Cash flows from financing activities, including:	**-224.9**	**-250.9**	**-10.4%**
Proceeds from borrowings	23.5	–	-
Repayment of borrowings	-317.0	-66.3	>100%
Lease payments	-99.3	-155.5	-36.1%
Interest paid	-44.4	-29.1	52.6%
Net proceeds from share issue	212.3	–	-
Total cash flows	**-1.0**	**-441.4**	**-99.8%**
Cash and cash equivalents at end of period	**394.4**	**493.8**	**-20.1%**

20.4. INDICATORS

Profitability ratios	Feb 1–Apr 30 2023	Feb 1–Apr 30 2022	Change (%)
Gross margin	46.5%	49.0%	-2.6%
Operating profit/(loss) margin	0.1%	-3.6%	3.7%
Net profit/(loss) margin	-7.4%	-7.9%	0.5%

Gross margin is calculated as the ratio of gross profit to revenue.
Operating profit/(loss) margin is calculated as the ratio of operating profit/(loss) to revenue.
Net profit/(loss) margin is calculated as the ratio of net profit/(loss) to revenue.

Liquidity ratios	Apr 30 2023	Jan 31 2023	change
Current ratio	0.9	0.9	-0.4
Quick ratio	0.2	0.2	-0.2
Inventory cycle (days)	235.1	215.9	-5.0
Average collection period (days)	7.1	7.6	-4.1
Average payment period (days)	134.7	117.7	5.8

The current ratio is calculated as the ratio of current assets to the carrying amount of current liabilities.
The quick ratio is calculated as the ratio of current assets less inventory to the carrying amount of current liabilities.
The inventory cycle in days is calculated as the ratio of the average inventory value for the last four quarters to cost of sales, multiplied by the number of days in the period.
The average collection period in days is calculated as the ratio of the average amount of receivables from customers for the last four quarters to revenue, multiplied by the number of days in the period.
The average payment period in days is calculated as the ratio of the amount of trade and other payables for the last four quarters to cost of sales, multiplied by the number of days in the period.

Operating efficiency ratios	Apr 30 2023	Jan 31 2023	Change [%]
Equity to non-current assets ratio	18.0%	16.2%	-10.6%
Debt ratio	30.8%	35.8%	-2.6%
Short-term debt ratio	14.5%	16.4%	6.7%
Long-term debt ratio	16.3%	19.4%	-9.3%

Equity to non-current assets ratio is calculated by dividing equity by non-current assets. Debt ratio is calculated by dividing debt under long-term and short-term borrowings and bonds by total assets.
Short-term debt ratio is calculated by dividing short-term debt under borrowings and bonds by total assets.
Long-term debt ratio is calculated by dividing long-term debt under borrowings and bonds by total assets.

PROFIT GUIDANCE

No profit guidance has been published.

20.5. CURRENT SALES TRENDS

The CCC Group recorded a slight year-on-year improvement in revenue in the second quarter to June 13th 2023. HalfPrice keeps delivering the fastest sales growth, up 87% year on year, with retail space up 47% and a strong 34% sales growth reported for like-for-like stores.

The Modivo Group's sales rose approximately 6% (up 36% in the Modivo business line and down 1% in eobuwie). eobuwie is continuing its technological transformation that includes migration into a new e-commerce platform, to be completed in autumn 2023. The Modivo marketplace project is growing above expectations, accounting for over 15% of Modivo's orders in Poland six months after launch. A Modivo marketplace is slated for launch in Italy in the second quarter of this year, in line with the expansion strategy adopted for that market.

Customers in the value-for-money segment remain the most affected by adverse macroeconomic conditions. Double-digit inflation and high interest rates that have continued for over a year now are impacting the disposable income and purchasing power of that consumer group particularly hard. Sales in the CCC segment fell approximately 14% year on year due to a number of factors including a long cool spring that delayed the buying impulse. The year-on-year sales growth was affected also by a high base effect of last year and an unfavourable calendar effect of the long weekend in May. That said, gross margin widened more than 1pp year on year in the CCC business line, reflecting optimised inventory levels and adequate inventory age structure.

During the quarter, the CCC Group has seen a positive trend in weekly sales growth across all business lines. Price-sensitive consumers are responding well to the promotional mechanics implemented by the Group.

The Group is consistently pursuing its working capital optimisation efforts across all segments. The cost efficiency programme is also bringing effects.

The CCC Group upholds its 2023 targets (with delivery contingent on macroeconomic and geopolitical stability).

20.6. COVENANTS/FINANCIAL RATIOS

The CCC Group
Financing in the CCC Group is provided at the level of two business units, which are separately responsible for their liabilities:

- the CCC Business Unit (the CCC Group excluding the Modivo Business Unit) and, separately,
- the Modivo Business Unit (Modivo S.A. and all its subsidiaries).

Details of the financing arrangements and covenants are discussed in the *Covenants/Financial Indicators* section of the *Directors' Report on the operations of the CCC Group in 2022*.
The explanation of financial ratio calculations presented below is a simplified overview of the provisions of the credit facility agreements and the terms and conditions of the bonds (the Terms and Conditions). The purpose of the explanation is to present information on the methodology applied in the financing agreements to calculate the Group's financial ratios.

MODIVO Business Unit	Apr 30 2023	Jan 31 2023	Δ Apr 30 2023–Jan 31 2023	Change [%]
Gross debt*	**917.0**	**860.0**	**55.0**	**6%**
(-) cash	139.0	152.0	-13.0	-9%
(-) convertible bonds for Softbank	661.0	630.0	31.0	5%
Net financial debt	**117.0**	**78.0**	**37.0**	**47%**
Reverse factoring	**319.0**	**159.0**	**160.0**	**101%**

* Excluding reverse factoring (reverse factoring included in the definition of a bank covenant applicable to MODIVO S.A.)

Predominant share in the Modivo Business Unit's debt of Modivo S.A. convertible bonds issued for Softbank. Quarter-on-quarter change in the Modivo Business Unit's debt due mainly to bond interest capitalisation.
The Modivo Business Unit's net financial debt excluding the convertible bonds at PLN 115m.
Increased use of reverse factoring products reflecting contracts signed for the next SS23 season.

CCC Business Unit	Apr 30 2023	Jan 31 2023	Δ Apr 30 2023–Jan 31 2023	Change [%]
Gross debt	**1,347.8**	**1,666.0**	**-319.0**	**-19%**
(-) cash	255.3	243.0	9.0	4%
Net debt	**1,092.5**	**1,423.0**	**-328.0**	**-23%**
(-) Bonds issued to PFR*	390.2	376.0	14.0	4%
(+/-) other adjustments**	15.6	12.0	4.0	33%
Net financial debt	**717.9**	**1,058.0**	**-337.0**	**-32%**
(+) reverse factoring	194.6	92.0	103.0	112%
(+) bank guarantees	116.9	120.0	-3.0	-3%
Net exposure	**1,029.4**	**1,270.0**	**-238.0**	**-19%**

* Debt under bonds issued to PFR is not included in covenants; in the financial statements, its amount is included in liabilities under borrowings and bonds and in other financial liabilities.
** For the purpose of calculating the *net exposure* covenant – adjustments for measurement of derivatives and SCN

Quarter-on-quarter decrease in the use of credit facilities by the CCC Business Unit reflecting continued working capital optimisation and savings schemes in the CCC segment.
Inflow of a part of proceeds from subscription for CCC registered shares (PLN 212.3m) in April. The balance of proceeds from the issue of ordinary bearer shares is expected to be received in the first half of May.
Increased use of reverse factoring products reflecting contracts signed for the next SS23 season.

The ratios as at the reporting date are to be reviewed on the dates agreed in the financing agreements, after the issue of these financial statements.

CCC Business Unit's ratios reviewed as at the reporting date

In the Management Board's opinion as at April 30th 2023, none of the financial ratios were breached during the reporting period and until the date of authorisation of this Report for issue.

Under the refinancing agreements of June 2nd 2021 and the ordinary bonds issue agreement (ISIN:PLCCC0000081) of May 17th 2021, as amended, the CCC Business Unit is obliged, among others, to test the ratios listed below at April 30th 2023:

a) EBITDA of the CCC Business Unit not lower than PLN 100.0m:

b) Net Exposure/EBITDA calculated for the CCC Business Unit not higher than 12.7x.

MODIVO Business Unit's ratios reviewed as at the reporting date

The Modivo Business Unit comprises Modivo S.A. and all its subsidiaries. No financial indicators were reviewed at the Modivo Business Unit as at April 30th 2023.

FINANCIAL INSTRUMENTS

As at the reporting date, the Issuer used forward instruments to hedge against currency risk arising from an open exposure denominated in USD. Moreover, the CCC Group holds derivative instruments embedded in the bonds issued to PFR (Equity Kicker) and a derivative financial instrument embedded in bonds convertible into Modivo S.A. shares – voluntary conversion option For a detailed description of the financial instruments, see Note 6.1 to the consolidated financial statements of the CCC Group for 2022.

FEASIBILITY OF INVESTMENT PLANS

The Group intends to finance investment projects with its own funds and with external capital. Subject to the limitations set out in the refinancing agreement, the Management Board believes that there are currently no major threats which could adversely affect delivery of the investment plans in the future.

MATERIAL RELATED-PARTY TRANSACTIONS

To the best of the Group's knowledge, no material related-party transactions were concluded on non-arm's length terms during the financial year. For information on related-party transactions, see section 'Related-party transactions' in the consolidated financial statements of the CCC Group for 2022.

SHAREHOLDERS WITH MAJOR HOLDINGS

According to the information available to the Company, shareholders holding 5% or more of total voting rights as at the issue date of this report were:

1) ULTRO S.a.r.l. (a subsidiary of Dariusz Miłek), which held 22,956,000 Company shares, representing 33.33% of the share capital and 39.01% of total voting rights;

2) Allianz OFE, which held 5,000,000 Company shares, representing 7.26% of the share capital and 6.62% of total voting rights in the Company.

3) Nationale-Nederlanden OFE, which held 4,267,000 Company shares, representing 6.20% of the share capital and 5.65% of total voting rights in the Company.

SHAREHOLDER	NUMBER OF SHARES HELD	% OWNERSHIP INTEREST	NUMBER OF VOTING RIGHTS	% VOTING INTEREST
Ultro S.a.r.l. (subsidiary of CCC S.A. President Dariusz Miłek)	22,956,000	33.33%	29,456,000	39.01%
Allianz OFE*	5,000,000	7.26%	5,000,000	6.62%
Nationale-Nederlanden OFE*	4,267,000	6.20%	4,267,000	5.65%
Other investors**	36,645,000	53.21%	36,795,000	48.72%
Total	**68,868,000**	**100.00%**	**75,518,000**	**100.00%**

** As per the list of shareholders entitled to participate in the Annual General Meeting on June 12th 2023.
** Other investors holding less than 5% of voting rights.

SHARES IN THE PARENT AND IN RELATED ENTITIES HELD BY MANAGING AND SUPERVISING PERSONS

SHAREHOLDER	NUMBER OF SHARES AS AT THE DATE OF ISSUE OF THIS REPORT	PAR VALUE OF SHARES AS AT THE DATE OF ISSUE OF THIS REPORT (PLN)
Supervisory Board		
Mariusz Gnych, Member of the Supervisory Board	207,112	20,711.00
Management Board		
Ultro S.a.r.l. (subsidiary of CCC S.A. President Dariusz Miłek)	22,956,000	2,295,600.00
President of Modivo S.A. Marcin Czyczerski	5,100	510.00
Vice President of CCC S.A. Karol Półtorak	35,500	3,550.00
Vice President of CCC S.A. Igor Matus	527	527.00

The other members of the Management Board and the Supervisory Board did not hold any shares in CCC S.A. Members of the Management Board and the Supervisory Board did not hold any shares in entities related to CCC S.A.

COMPANY SHAREHOLDERS HOLDING SPECIAL CONTROL RIGHTS

According to the Articles of Association of the Company, CCC S.A. shares are divided into two classes:

- ordinary bearer shares, each conferring one voting right in the Company,
- ordinary registered shares, each conferring one voting right in the Company,
- registered shares with voting preference, each conferring two voting rights in the Company.

SHAREHOLDER	NUMBER OF SHARES HELD	% OWNERSHIP INTEREST	NUMBER OF VOTING RIGHTS	% VOTING INTEREST
Ultro S.a.r.l. (subsidiary of CCC S.A. President Dariusz Miłek)	6,500,000	9.44%	13,000,000	17.21%
Lech Chudy	50,000	0.07%	100,000	0.13%
Renata Miłek	50,000	0.07%	100,000	0.13%
Mariusz Gnych	50,000	0.07%	100,000	0.13%
Total	**6,650,000**	**9.66%**	**13,300,000**	**17.61%**

21. MANAGEMENT BOARD AND SUPERVISORY BOARD

As at April 30th 2023, the Management Board and the Supervisory Board of CCC S.A. consisted of:

Full name of Management Board Member	Position held
Marcin Czyczerski	President of the Management Board
Karol Półtorak	Vice President
Adam Holewa	Vice President
Igor Matus	Vice President

Full name of Supervisory Board Member	Position held
Dariusz Miłek	Chair of the Supervisory Board (elected on April 11th 2019)
Wiesław Oleś	Deputy Chair of the Supervisory Board (Chair of the Supervisory Board elected on June 24th 2015/Deputy Chair of the Supervisory Board elected on May 9th 2019)
Filip Gorczyca	Member of the Supervisory Board (elected on April 11th 2019), Chair of the Audit Committee
Zofia Dzik	Member of the Supervisory Board (elected on June 18th 2019), member of the Audit Committee
Mariusz Gnych	Member of the Supervisory Board (elected on June 15th 2022), member of the Audit Committee

On May 11th 2023, Marcin Czyczerski resigned as President of the Company's Management Board, with effect from May 11th 2023.
On May 11th 2023, Dariusz Miłek resigned as Chairman and member of the Company's Supervisory Board, with effect from May 11th 2023, and was appointed by the Company's Supervisory Board as President of the Company's Management Board.
On June 6th 2023, Adam Holewa resigned as Vice President of the Company's Management Board, with effect from June 12th 2023.
On June 12th 2023, the Annual General Meeting appointed Marcin Stańko and Piotr Kamiński to the Supervisory Board. On the same day, the General Meeting appointed Wiesław Oleś as Chairman of the Supervisory Board.

As at the issue date of this report, the Management Board and Supervisory Board of CCC S.A. consisted of:

Full name of Management Board Member	Position held
Dariusz Miłek	CEO and President of the Management Board
Karol Półtorak	Vice President of the Management Board
Igor Matus	Vice President of the Management Board

Full name of Supervisory Board Member	Position held
Wiesław Oleś	Chair of the Supervisory Board (Chair of the Supervisory Board elected on June 24th 2015/ Deputy Chair of the Supervisory Board elected on May 9th 2019/ Chair of the Supervisory Board elected on June 12th 2023)
Filip Gorczyca	Member of the Supervisory Board (elected on April 11th 2019), Chair of the Audit Committee
Zofia Dzik	Member of the Supervisory Board (elected on June 18th 2019), member of the Audit Committee
Mariusz Gnych	Deputy Chair of the Supervisory Board (elected on June 15th 2022/Deputy Chair elected on June 12th 2023), member of the Audit Committee
Marcin Stańko	Member of the Supervisory Board (elected on June 12th 2023)
Piotr Kamiński	Member of the Supervisory Board (elected on June 12th 2023)

For a detailed description of the remits of the Management Board and Supervisory Board, see the corporate website: https://corporate.ccc.eu/wladze-ccc

22. OTHER INFORMATION

ITEMS THAT ARE UNUSUAL BECAUSE OF THEIR NATURE, VALUE OR FREQUENCY AND WHICH AFFECT ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

Events occurring in the reporting period that were considered unusual items because of their nature and frequency were as follows:

- - acquisition of control by the Group of CCC Ukraina Sp. z o.o. of Lviv. Following the transaction, CCC S.A. acquired 75.1% of shares in CCC Ukraina Sp z o.o. for a price of PLN 23.8m, offset against claims between a CCC Group entity and the existing shareholder of CCC Ukraina. See Note 6 for details. Acquisition of subsidiaries and associates
- share capital increase at CCC S.A. effected through the issue of 14 million shares with a par value of PLN 0.1 and an issue price of PLN 36.11. The issue proceeds amounted to PLN 505.5m, with PLN 212.3m paid to CCC S.A. on April 24th 2023, that is prior to the reporting date, and the balance received after the reporting date.

IMPAIRMENT LOSSES, PROVISIONS AND DEFERRED TAX

For details, see “Interim condensed consolidated financial statements”.

MATERIAL TRANSACTIONS OF PURCHASE AND SALE OF PROPERTY, PLANT AND EQUIPMENT AND RELATED LIABILITIES

No material transactions of purchase or sale of property, plant and equipment, or any related liabilities, occurred in the reporting period and after the reporting date other than the acquisition of assets of CCC Ukraina Sp. z o.o.

MATERIAL PROCEEDINGS PENDING BEFORE COURT, COMPETENT ARBITRATION AUTHORITY OR PUBLIC ADMINISTRATION AUTHORITY, CONCERNING LIABILITIES AND RECEIVABLES OF THE ISSUER OR ITS SUBSIDIARIES, INCLUDING AN INDICATION OF THE SUBJECT MATTER OF THE PROCEEDINGS, VALUE OF THE DISPUTE, DATE WHEN THE PROCEEDINGS WERE INITIATED, PARTIES TO THE INITIATED PROCEEDINGS AND THE ISSUER’S POSITION

Not applicable.

MATERIAL LITIGATION SETTLEMENTS

Not applicable.

CORRECTIONS OF PRIOR PERIOD ERRORS

Not applicable.

CHANGES IN ECONOMIC ENVIRONMENT AND TRADING CONDITIONS WITH A MATERIAL EFFECT ON THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES OF THE COMPANY, IRRESPECTIVE OF WHETHER SUCH ASSETS AND LIABILITIES ARE CARRIED AT FAIR VALUE OR ADJUSTED ACQUISITION COST (AMORTISED COST)

Information on changes in the economic environment and trading conditions is presented in the section on going concern and events subsequent to the reporting date.

CREDIT DEFAULT OR BREACH OF MATERIAL CREDIT COVENANTS WITH RESPECT TO WHICH NO REMEDIAL ACTION WAS TAKEN BEFORE THE END OF THE REPORTING PERIOD

Not applicable.

EXECUTION BY THE ISSUER OR ANY OF ITS SUBSIDIARIES OF ONE OR MORE RELATED-PARTY TRANSACTIONS, IF CONCLUDED ON NON-ARM'S LENGTH TERMS, INCLUDING INFORMATION ON THE VALUE OF SUCH TRANSACTIONS; INFORMATION ON INDIVIDUAL TRANSACTIONS MAY BE GROUPED BY TYPE, EXCEPT WHERE INFORMATION ON INDIVIDUAL TRANSACTIONS IS NECESSARY TO UNDERSTAND THEIR IMPACT ON THE ISSUER'S ASSETS, FINANCIAL POSITION AND FINANCIAL PERFORMANCE

Not applicable.

CHANGE IN THE METHOD USED TO DETERMINE THE FAIR VALUE OF FINANCIAL INSTRUMENTS

Not applicable.

CHANGES IN THE CLASSIFICATION OF FINANCIAL ASSETS AS A RESULT OF CHANGE IN THE PURPOSE OR USE OF THE ASSETS

Not applicable.

ISSUE, REDEMPTION AND REPAYMENT OF NON-EQUITY AND EQUITY SECURITIES

In the reporting period, CCC S.A. carried out a share issue that is described in more detail in the *Going concern* note.

DIVIDEND PAID OR DECLARED, IN TOTAL AND PER SHARE, WITH THE DIVISION INTO ORDINARY AND PREFERENCE SHARES

Not applicable.

CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS THAT HAVE OCCURRED SINCE THE END OF THE LAST FINANCIAL YEAR

Not applicable.

OTHER INFORMATION WHICH MAY MATERIALLY AFFECT THE ASSESSMENT OF THE ISSUER'S ASSETS, FINANCIAL CONDITION AND PROFIT/LOSS

Not applicable.

CHANGES TO THE ORGANISATION OF THE ISSUER'S GROUP, INCLUDING CHANGES RESULTING FROM A MERGER OF ENTITIES, THE GAINING OR LOSS OF CONTROL OVER SUBSIDIARIES AND LONG-TERM INVESTMENTS, AS WELL AS THE DIVISION, RESTRUCTURING OR DISCONTINUATION OF BUSINESS ACTIVITIES, AND IDENTIFICATION OF ENTITIES SUBJECT TO CONSOLIDATION, AND IN THE CASE OF THE ISSUER BEING A HOLDING ENTITY, WHICH IS NOT REQUIRED TO PREPARE CONSOLIDATED FINANCIAL STATEMENTS UNDER THE APPLICABLE REGULATIONS OR MAY NOT PREPARE CONSOLIDATED FINANCIAL STATEMENTS – ADDITIONALLY, INDICATION OF THE REASON FOR AND LEGAL BASIS OF THE LACK OF CONSOLIDATION

For details, see "Structure of the CCC Group".

MANAGEMENT BOARD'S POSITION ON THE FEASIBILITY OF MEETING ANY PREVIOUSLY PUBLISHED FORECASTS FOR A GIVEN YEAR IN LIGHT OF THE RESULTS PRESENTED IN THE QUARTERLY REPORT

Not applicable.

LOAN SURETIES OR GUARANTEES ISSUED BY THE ISSUER OR ITS SUBSIDIARY WHERE THE AGGREGATE VALUE OF SUCH OUTSTANDING SURETIES OR GUARANTEES ISSUED TO A SINGLE ENTITY OR ITS SUBSIDIARY IS SIGNIFICANT

In the reporting period, no significant guarantees or sureties were provided for credit facilities or loans.

KEY CAPITAL AND EQUITY INVESTMENTS WITHIN THE GROUP IN THE FINANCIAL YEAR

The subsidiaries did not make any significant capital or equity investments in the reporting period. Any cash surplus is used to repay debt under overdraft facilities.

CONTRACTS/AGREEMENTS BETWEEN THE COMPANY AND THE MANAGEMENT STAFF

Not applicable.

SHARE BUY-BACK

In the reporting period, CCC S.A. did not perform any buy-back of its own shares.

RESTRICTIONS ON VOTING RIGHTS AT THE COMPANY

In the reporting period, there were no restrictions on the exercise of voting rights at the Company.

PARENT'S BRANCHES (ESTABLISHMENTS)

As at the reporting date, the Parent had no branches (establishments).

MAJOR R&D ACHIEVEMENTS

Not applicable.

FACTORS AND EVENTS, INCLUDING OF A NON-RECURRING NATURE, HAVING MATERIAL BEARING ON THE CONDENSED FINANCIAL STATEMENTS

No such factors or events were identified except as disclosed in the section on going concern and events subsequent to the reporting date.

FACTORS WHICH IN THE COMPANY'S OPINION WILL AFFECT ITS PERFORMANCE IN THE NEXT QUARTER OR IN A LONGER TERM

No such factors or events were identified except as disclosed in the section on going concern and events subsequent to the reporting date.

23. EVENTS SUBSEQUENT TO THE DATE AS AT WHICH THE INTERIM CONDENSED FINANCIAL STATEMENTS WERE PREPARED, WHICH HAVE NOT BEEN DISCLOSED IN THIS REPORT BUT COULD SIGNIFICANTLY AFFECT THE ISSUER'S FUTURE FINANCIAL RESULTS

Pursuant to resolutions of the Extraordinary General Meeting of CCC S.A. of November 17th 2022, on May 9th 2023 the share capital of CCC S.A. was increased through the issue of 14 million shares with a par value of PLN 0.1 and an issue price of PLN 36.11. The issue proceeds amounted to PLN 505.5m. The second portion of the proceeds from the share capital increase, totalling PLN 293.2m, was paid on May 9th 2023.

On May 11th 2023, Marcin Czyczerski resigned as President and Member of the Company's Management Board, with effect as of May 11th 2023, due to his appointment as President of the Management Board of Modivo S.A.
On May 11th 2023, Dariusz Miłek resigned as Chairman and member of the Company's Supervisory Board, with effect from May 11th 2023. The reason for his resignation was that on May 11th 2023 he was appointed by the Supervisory Board as President of the Company's Management Board, with effect from May 12th 2023.
As the process to change the CCC Group's business model was completed and the Modivo Group entered a next phase of growth, the two companies appointed new CEOs with expertise that best matches the current needs.
On June 6th 2023, Adam Holewa resigned as Vice President and member of the Company's Management Board, with effect from June 12th 2023.
On June 12th 2023, the Annual General Meeting appointed Marcin Stańko and Piotr Kamiński to the Supervisory Board. On the same day, the General Meeting appointed Wiesław Oleś as Chairman of the Supervisory Board.

On May 29th 2023 and May 31st 2023, the Group reduced its debt by PLN 50.5m as part of its commitment to lower debt by the end of 2023. The debt reduction was agreed in December 2022. As amending annexes were signed to an agreement with a bank syndicate and bilateral financing agreements secured by guarantees issued under a portfolio guarantee scheme of the PLG-FGK BGK Emergency Guarantee Fund (see Note 5.2 to the financial statements).

24. MANAGEMENT BOARD'S REPRESENTATIONS

REPRESENTATION ON ACCURACY OF THE FINANCIAL STATEMENTS

To the best knowledge of the Management Board of CCC S.A., the interim condensed consolidated and separate financial statements and the Directors' Report on the operations of the CCC Group as well as the comparative data have been prepared in compliance with the applicable accounting standards and give a true, clear and fair view of the CCC Group's assets, financial standing and financial results. The Directors' Report on the operations of the CCC Group gives a fair view of the Group's development, achievements and standing, and includes a description of key risks and threats.

The interim condensed consolidated financial report of the CCC Group and CCC S.A. was authorised for issue and signed by the CCC S.A. Management Board on June 14th 2023.

These consolidated financial statements were authorised for issue by the Management Board on June 14th 2023	
Edyta Skrzypiec - Rychlik	Chief Accountant
Signatures of all Management Board members:	
Dariusz Miłek	President of the Management Board
Karol Półtorak	Vice President
Igor Matus	Vice President